

Natchitoches City Council will have a pre-council meeting beginning at 5:00 p.m. and ending at 5:30 p.m. to discuss non-agenda items. The City Council meeting will begin promptly at 5:30 p.m. on the second and fourth Monday of each month and will be reserved to only items on the Agenda. The public is invited to both the pre-council meetings and council meetings with the understanding that items not on the agenda will not be discussed at the scheduled council meetings, but the public is welcome to discuss any topic at the pre-council meetings. The City Council Meetings are held at the Natchitoches Arts Center located at 716 Second Street, Natchitoches, Louisiana.

**NATCHITOCHES CITY COUNCIL MEETING
JANUARY 26, 2015
5:30 P.M.**

A G E N D A

1. **CALL TO ORDER**
2. **INVOCATION**
3. **PLEDGE OF ALLEGIANCE**
4. **READING AND APPROVAL OF THE MINUTES OF JANUARY 12, 2015**
5. **JESSICA BROADWAY – 2014 Audit Report**
6. **ORDINANCES – FINAL:**
 - #001 Nielsen** A General Bond Ordinance Authorizing The Issuance From Time To Time Of Utilities Revenue Bonds Of City Of Natchitoches, State Of Louisiana; Prescribing The Form, And Certain Terms And Conditions Of Said Bonds; Establishing Funds And Accounts Relating To Said Bonds; Providing For The Payment Thereof In Principal And Interest Including A Rate Covenant Relating Thereto; And Providing For Other Matters In Connection Therewith.
 - #002 Stamey** A Supplemental Bond Ordinance Authorizing The Issuance In One Or More Series Of Not Exceeding \$2,000,000 Of Taxable Utilities Revenue Bonds, Series 2015, Of The City Of Natchitoches, State Of Louisiana, In Accordance With The Terms Of A General Bond Ordinance; Prescribing The Form, And Certain Terms And Conditions Of Said Bonds; And Providing For Other Matters In Connection Therewith.
 - #003 Payne** Ordinance To Amend Chapter 26 Of The Code Of Ordinances, Entitled Police, In Order To Adopt Article I Which Will Provide For The Implementation Of A Program To Allow A Police Officer To Acquire His Service Firearm Upon Retirement, Specifically Adopting Sections 26-1 Through 26-3, Providing For Advertising, Further Providing For Severability, And Further Providing For A Repealer And Effective Date Of Ordinance.
7. **ORDINANCES – INTRODUCTION:**
 - #004 Nielsen** Ordinance Amending The 2014-2015 Budget To Reflect Additional Revenues And Expenditures.

- #005 Morrow** Ordinance, Upon The Recommendations Of The Purchasing Department, That The City Of Natchitoches Enter Into A Lease Of A 25 Acre Tract In The Industrial Park For Hay Operations With James Russell Stacy, And Authorizing The Mayor, Lee Posey, To Execute Said Lease On Behalf Of The City Of Natchitoches, And To Provide For Advertising.
- #006 Stamey** Ordinance, Upon The Recommendations Of The Purchasing Department And The Airport Commission, That The City Council Of The City Of Natchitoches Authorize A Lease Of That Area Under Fence At The Natchitoches Regional Airport For Hay Operations With James Russell Stacy, And Authorizing The Mayor, Lee Posey, To Execute Said Lease On Behalf Of The City Of Natchitoches, And To Provide For Advertising.
- #007 Morrow** Ordinance Authorizing The Mayor Of The City Of Natchitoches To Award The Bid For The Rehabilitation Of The City Pool **(Bid No. 0560)**
- #008 Nielsen** Ordinance Authorizing The Mayor Of The City Of Natchitoches To Award The Bid For The Electric Distribution Extension Along La 478 To I-49 **(Bid No. 0561)**
8. **RESOLUTION:**
#007 Payne Resolution Authorizing The Mayor To Enter Into A Contract With Travelers Casualty And Surety Company Of America For The Public Official Schedule Bond For The City Of Natchitoches.
9. **REPORTS:** Pat Jones - Financial Report
10. **ANNOUNCEMENTS:** The next scheduled City Council meeting will be **February 9, 2015.**
- The offices of the City of Natchitoches will be closed **Monday, February 16, 2015** in honor of President's Day.
11. **ADJOURMENT:**

NOTICE TO THE PUBLIC

In accordance with the Americans with Disabilities Act, if you need special assistance, please contact the City Clerk's Office at (318) 352-2772 describing the assistance that is necessary.

If you wish to address the Council, please complete the "[Request to Address City Council](#)" form located on the entrance table.

**PROCEEDINGS OF THE CITY COUNCIL
OF THE CITY OF NATCHITOCHES, STATE OF LOUISIANA,
REGULAR MEETING HELD ON
MONDAY, JANUARY 26, 2015 AT 5:30 P.M.**

The City Council of the City of Natchitoches met in legal and regular session at the Natchitoches Arts Center, 716 Second Street, Natchitoches, Louisiana on Monday, January 26, 2015 at 5:30 p.m.

There were present:

Councilman At Large Don Mims, Jr.
Councilman Dale Nielsen
Councilman Larry Payne
Councilman David Stamey
Councilwoman Sylvia Morrow

Guests: None

Absent: Mayor Lee Posey

Mayor Pro Tempore Don Mims called the meeting to order and welcomed everyone for coming. Michael Braxton was asked to lead the invocation and Councilman Paynes was asked to lead the pledge of allegiance.

Mayor Pro Tempore Don Mims then called for the reading and approval of the minutes for the January 12, 2015 meeting. Mr. Nielsen moved that we dispense with the reading of the minutes and approval of same. Seconded by Ms. Morrow. The roll call vote was as follows:

Ayes:	Payne, Nielsen, Stamey, Morrow
Nays:	None
Absent:	None
Abstain:	None

Jessica Broadway with the Johnson, Thomas, and Cunningham CPA Firm, presented the 2014 Audit Report for the City of Natchitoches. The City has 51 funds which are managed by the Finance Department and maintained by each Department Heads. In our audit we are required to report on government wide financial statements and fund financial statements. Government wide financial statements include fixed assets, depreciation, and long term debt. The government wide level the City as a whole ended the fiscal year with an increase in net position of \$3.2 million. In the fund financial statements the governmental funds excluding the utility funds reported an increasing in fund balance of \$1.4 million. She reported no findings and no issues to report. She commended the Finance Department on the job they each year with the City's finances.

The following entitled Ordinance, having been previously introduced on January 12, 2015, notice of introduction having been published in the City's official journal on January 17, 2015, and a public hearing held thereon on January 26, 2015, was offered for final adoption by Mr. Nielsen and seconded by Mr. Payne:

**ORDINANCE NO 001 OF 2015
GENERAL BOND ORDINANCE**

A GENERAL BOND ORDINANCE AUTHORIZING THE ISSUANCE FROM TIME TO TIME OF UTILITIES REVENUE BONDS OF CITY OF NATCHITOCHES, STATE OF LOUISIANA; PRESCRIBING THE FORM, AND CERTAIN TERMS AND CONDITIONS OF SAID BONDS; ESTABLISHING FUNDS AND ACCOUNTS RELATING TO SAID BONDS; PROVIDING FOR THE PAYMENT THEREOF IN PRINCIPAL AND INTEREST INCLUDING A RATE COVENANT RELATING THERETO; AND PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, the City of Natchitoches, State of Louisiana (the "City") now owns and operates a combined waterworks plant and system, electric power and light plant and system and sewer utility system (the "System") as a combined revenue-producing work of public improvement; and,

WHEREAS, the City currently has outstanding the following described bonds payable from a pledge and dedication of the income and revenues of the System:

\$874,000 Utilities Revenue Bonds, Series 2009A, maturing on December 1 of the years 2015 through 2030, inclusive, bearing interest at a rate of 3.45% (inclusive of a 0.50% DHH Administrative Fee) and issued pursuant to Ordinance No. 44 of 2009 adopted by this governing authority on August 10, 2009;

\$2,613,000 Utilities Revenue Bonds, Series 2009B, maturing on December 1 of the years 2015 through 2030, inclusive, bearing interest at a rate of 3.45% (inclusive of a 0.50% DHH Administrative Fee) and issued pursuant to Ordinance No. 44 of 2009 adopted by this governing authority on August 10, 2009; and

\$1,030,000 of Utilities Revenue Refunding Bonds, Series 2013, maturing on December 1 of the years 2015 through 2022, inclusive, bearing interest at a rate of 2.15% and issued pursuant to Ordinance No. 30 of 2013 adopted by this governing authority on July 8, 2013;

the aforesaid issues being collectively referred to herein as the "Outstanding Parity Bonds"; and

WHEREAS, pursuant to Part VII, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:821, *et seq.*), Part XIII, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1011, *et seq.*), Section 2304 of Title 30 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 30:2304), Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1430), and/or Chapter 14-A, Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1444, *et seq.*), and other constitutional and statutory authority, it is now the desire of this City Council, as governing authority of the City, to adopt this General Bond Ordinance in order to provide for the issuance from time to time, and in one or more series, of utilities revenue bonds of the City (the "Bonds"), for the purpose of paying the cost of acquiring and constructing additions, extensions and improvements to the System, and for the other purposes set forth herein;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Natchitoches, State of Louisiana, acting as governing authority of the City of Natchitoches, State of Louisiana, that:

ARTICLE I

DEFINITIONS AND INTERPRETATION

SECTION 1.01. Definitions. The following terms used in this General Bond Ordinance shall have the following meanings, unless the context clearly requires otherwise:

"Act" means any one or more of the following statutory authorities for the issuance of revenue bonds by the City:

- (i) Part VII, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:821, *et seq.*);
- (ii) Part XIII, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1011, *et seq.*);
- (iii) Section 2304 of Title 30 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 30:2304); and/or
- (iv) Section 1430, Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1430)

together with any other constitutional and statutory authority supplemental thereto.

"Bonds" means the Outstanding Parity Bonds and any future issue of bonds authorized by this General Bond Ordinance and by a Series Ordinance.

"Bond Register" means the records kept by the Paying Agent in which registration of the Bonds and transfers of the Bonds shall be made as provided herein.

"Bond Year" means the one-year period ending on each December 1.

"Business Day" means any day on which the Federal Reserve System is in operation, the New York Stock Exchange is not closed and banks in the City of Natchitoches and in the City of New Orleans are open for business.

"Capital Appreciation Bonds" shall mean Bonds which pay interest only at maturity or redemption.

"Code" means the Internal Revenue Code of 1986, as the same may be amended and supplemented from time to time, including any regulations promulgated thereunder or any administrative or judicial interpretations thereof.

"Costs of the Project" means, with reference to any Project, all capital costs incurred or to be incurred for such Project, including but not limited to (a) engineering relating to the Project, (b) financing, legal and other fees and expenses related to the issuance of any series of the Bonds, (b) acquisition and construction costs of the Project, (c) interest on the Bonds during construction, and (d) a reasonable allowance for contingencies, all to the extent permitted by the Act and any rules or regulations promulgated thereunder.

"Credit Enhancement" shall mean any letter of credit, insurance policy, surety bond, standby bond purchase agreement or similar facility as used in connection with a series of the Bonds.

"Defeasance Obligations" means cash and/or Government Securities.

"Delivery Date" means the date on which any series of the Bonds are delivered to the purchaser thereof.

"Department" means (i) with respect to the Clean Water State Revolving Fund, the Louisiana Department of Environmental Quality and (ii) with respect to the Drinking Water Revolving Loan Fund, the Louisiana Department of Health and Hospitals, and any successor to the duties and functions thereof.

"Executive Officers" means, collectively, the Mayor of the City and the Clerk of this Governing Authority.

"Fiscal Year" means the one-year accounting period beginning on June 1 of each year, or such other fiscal year period as may be determined from time to time by the Governing Authority as the fiscal year of the City.

"Fixed Rate Bonds" means any series of Bonds issued with a fixed rate or rates or interest for the entire term thereof.

"General Bond Ordinance" means this General Bond Ordinance.

"Governing Authority" means the City Council of the City of Natchitoches, State of Louisiana, or its successor in function.

"Government Securities" means direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, which are non-callable prior to their maturity, may be United States Treasury Obligations such as the State and Local Government Series and may be in book-entry form.

"Interest Payment Date" means each date on which interest on any series of the Bonds is payable, as shall be set forth in the applicable Series Ordinance, which dates shall occur semi-annually unless otherwise required by the purchaser of any series of the Bonds.

"Net Revenues" means for the period in question the Revenues of the System, determined in accordance with then generally accepted accounting principles, after the payment of all reasonable and necessary expenses of operating and maintaining of the System as are not provided for from other lawfully available sources, except that there shall be excluded from the calculation of Net Revenues the following:

- (a) Gains on the sale or other disposition of investments or fixed or capital assets, which do not result from the ordinary course of business;
- (b) Investment income that is restricted to a purpose inconsistent with the payment of operating expenses or debt service, including (whether or not so restricted) interest earned on any construction fund or construction account created with the proceeds of borrowing by the City;
- (c) Any amounts received by way of government grants; and
- (d) Any capital outlay moneys received from the State;

Furthermore, there shall be added back to net income for purposes of calculating Net Revenues hereunder the following:

- (e) Losses on the sale or other disposition of investments or capital assets which do not result from the ordinary course of business;
- (f) Depreciation and amortization allowances;
- (g) Amounts paid as principal interest or redemption premium on any of the Bonds; and
- (h) Interest earnings on any of the funds described in Section 5.01.

"Ordinance" means this General Bond Ordinance authorizing the issuance of the Bonds, as hereafter amended or supplemented by Series Ordinances or in accordance with Article IX hereof.

"Outstanding" when used with respect to the Bonds, as of the date of determination, means all Bonds theretofore issued and delivered under this General Bond Ordinance except:

- (a) Bonds that have been cancelled or delivered to the Paying Agent for cancellation;

- (b) Bonds that have been defeased in accordance Section 11.01 hereof;
- (c) Bonds in exchange for or *in lieu* of which other Bonds have been registered and delivered pursuant to this General Bond Ordinance; or
- (d) Bonds alleged to have been mutilated, destroyed, lost or stolen which have been paid as provided in this General Bond Ordinance or by law.

"Outstanding Parity Bonds" has the meaning set forth in the preambles hereto.

"Outstanding Parity Bond Ordinances" means Ordinance No 44 of 2009 and Ordinance No. 30 of 2013, being the ordinances adopted by the Governing Authority authorizing the issuance of the Outstanding Parity Bonds.

"Owner" or "Owners" when used with respect to any Bond, means the Person in whose name such Bond is registered in the Bond Register.

"City" shall mean the City of Natchitoches, State of Louisiana.

"Paying Agent" means the person or organization designated as such in a Series Ordinance.

"Parity Obligations" means any additional *pari passu* indebtedness issued by the City pursuant to this General Bond Ordinance and a Series Ordinance, and payable from the Net Revenues in accordance with Section 6.01 hereof.

"Person" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof.

"Principal Payment Date" means each date on which principal on any series of the Bonds is payable, as shall be set forth in the applicable Series Ordinance, which dates shall occur annually unless otherwise required by the purchaser of any series of the Bonds.

"Project" means the acquisitions, extensions and improvements to any component of the System (electric, drinking water or wastewater) being financed by the sale of a series of the Bonds.

"Refunding Act" means Chapter 14-A, Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1444, *et seq.*), and other constitutional and statutory authority supplemental thereto, which authorize the issuance of refunding bonds.

"Reserve Fund Requirement" means the following:

- (a) So long as any of the City's Utilities Revenue Refunding Bonds, Series 2013, remain outstanding, "Reserve Fund Requirement" shall mean a sum equal to the lesser of (i) 10% of the proceeds of the Outstanding Parity Bonds, or (ii) the highest combined principal and interest requirements for any succeeding Bond

Year on the Outstanding Parity Bonds or (iii) 125% of the average aggregate amount of principal installments and interest becoming due in any Bond year on the Outstanding Parity Bonds, plus the amount set forth in a Series Ordinance for any future issue of the Bonds; or

- (b) After the City's Utilities Revenue Refunding Bonds, Series 2013, have been paid in full or discharged, "Reserve Fund Requirement" shall mean (i) with respect to the City's Utilities Revenue Bonds, Series 2009A and Series 2009B, the sum of \$139,000, being approximately one-half of the highest annual principal and interest requirements of such series in any succeeding Bond Year after 2022, which shall be set aside in an account in the Reserve Fund as provided for in Section 5.01(c) below, and (ii) with respect to any future issues of the Bonds, the amount set forth as such in the applicable Series Ordinance.

"Revenues of the System" means all income and revenues to be derived by the City from the operation of the System, including User Fees or service fees and other income received from the operation of the System and earnings on investments in the funds and accounts described in Section 5.01 hereof, but not including any insurance or condemnation proceeds, or proceeds from the sale or other disposition of any part of the System, and including the following:

- (a) revenues of any *ad valorem* or sales tax that may be dedicated in whole or in part to the System and actually budgeted in a Fiscal Year to the improvement, operation or maintenance of the System or for the payment of debt service on the Bonds;
- (b) revenues from any other source whatsoever that are actually budgeted in a Fiscal Year to the improvement, operation or maintenance of the System or for the payment of debt service on the Bonds; and
- (c) amounts received by the City as a "Build America Bond" or other similar federal reimbursement, subsidy or similar payment with respect to any series of the Bonds.

"Series Ordinance" means an Ordinance adopted by the Governing Authority in accordance with Section 2.04 hereof authorizing the issuance and sale of any series of the Bonds.

"State" means the State of Louisiana.

"System" means the combined waterworks plant and system, electric power and light plant and system and sewer utility system of the City, as said combined system now exists and as it may be hereafter improved, extended or supplemented from any source whatsoever while the Bonds herein authorized remains outstanding, including specifically all properties of every nature owned, leased or operated by the City and used or useful in the operation of the System, and including real estate, personal and intangible properties, contracts, franchises, leases and choses in action, whether lying within or without the boundaries of the City.

"User Fees" means charges or fees levied on users of the System for the cost of operation, maintenance and replacement of the System, for the repayment of debt incurred with

respect to the System and for such other purposes as may be determined by the Governing Authority from time to time.

"Variable Rate Bonds" means any series of Bonds issued with a variable, adjustable, convertible or other similar rate or rates which are not fixed for the entire term thereof.

SECTION 1.02. Rules of Interpretation. Unless the context clearly indicates to the contrary, the following rules shall apply to the interpretation and construction of this General Bond Ordinance:

- (a) Words importing the singular number shall include the plural number and *vice versa*;
- (b) All references to particular articles or sections herein are references to articles or sections of this General Bond Ordinance;
- (c) The captions and headings herein are solely for convenience of reference and shall not constitute a part of this General Bond Ordinance, nor shall they affect its meaning, construction or effect;
- (d) The terms "hereby," "hereof," "hereto," "herein," "hereunder" and any similar terms as used in this General Bond Ordinance refer to this General Bond Ordinance in its entirety and not the particular article or section of this General Bond Ordinance in which they appear; and
- (e) The term "hereafter" means after the date of execution of this General Bond Ordinance and the term "heretofore" means before the date of the execution of this General Bond Ordinance.

ARTICLE II

AUTHORIZATION, ISSUANCE AND SALE OF BONDS

SECTION 2.01. Authorization and Issuance of Bonds. This General Bond Ordinance authorizes the issuance of indebtedness of the City to be designated "Utilities Revenue Bonds (or Utilities Revenue Refunding Bonds, as the case may be) of City of Natchitoches, State of Louisiana," and provides for the full and final payment of the principal or prepayment price of and interest thereof. Bonds may be, but are not required to be, designated as "taxable" or "tax-exempt" as the case may be, and may carry any other descriptive title as this Governing Authority may determine and set forth in a Series Ordinance.

All of the Bonds shall be issued under the authority of the Act and/or the Refunding Act, as the case may be. The Bonds shall be issued for the purpose of financing the costs of acquiring and constructing additions, extensions and improvements to the System or any portion thereof, and/or for the purpose of refunding any obligations issued for the same purposes. Proceeds of the Bonds may also be used to pay costs of issuance, costs of credit enhancement, capitalized interest and any required deposit to the Reserve Fund.

SECTION 2.02. Ordinance to Constitute Contract. In consideration of the purchase and acceptance of the Bonds by those who shall own the same from time to time, the provisions of this General Bond Ordinance shall be a part of the contract of the City with the Owners and shall be deemed to be and shall constitute a contract between the City and the Owners from time to time of the Bonds.

SECTION 2.03. Obligation of Bonds. All of the Bonds, regardless of the date of issue, shall enjoy complete parity of lien on the Net Revenues despite the fact that any of the Bonds may be delivered at an earlier date than any other of the Bonds. Subject to the foregoing, the Net Revenues are irrevocably and irrepealably pledged in an amount sufficient for the payment of the Bonds, in principal and interest as they shall respectively become due and payable, and for the other purposes hereinafter set forth herein. The Revenues of the System shall be set aside in the funds and accounts described in Section 5.01 and shall be and remain so pledged for the security and payment of the Bonds in principal and interest, and for all other payments provided in this General Bond Ordinance, until all of the Bonds shall be fully paid and discharged.

The lien of the Bonds on the Net Revenues is intended to be and shall be prior and superior to the lien on any other indebtedness of the City or City payable from "all available revenues."

The City covenants and agrees to take such action as may be necessary from time to time to preserve the priority of the pledge of the Net Revenues under applicable law.

SECTION 2.04. Series Ordinances. The details of each series of the Bonds shall be set forth in a Series Ordinance to be adopted by the Governing Authority. Each Series Ordinance shall provide the following with respect to the applicable series of the Bonds:

- (a) The purposes, dated date, series designation and principal amount, and whether such series is issued under the Act (and specifying which statutory reference thereof) and/or the Refunding Act;
- (b) Whether such series will be Capital Appreciation Bonds, Fixed Rate Bonds or Variable Rate Bonds, and a description of the applicable interest rate or rates (or method of determining same) and the Interest Payment Dates;
- (c) The schedule of principal maturities or installments, or a formula for establishing same, and if such series will be Capital Appreciation Bonds a table of accreted values;
- (d) The manner of payment of principal and interest;
- (e) The optional and/or mandatory redemption provisions;
- (f) The form or forms of bonds;
- (g) The designation of the initial Paying Agent;
- (h) The terms of sale to the purchaser thereof;

- (i) The Reserve Fund Requirement, if any, and the amount, if any, of proceeds to be deposited into the account in the Reserve Fund, the date on which deposits to the Contingencies Fund shall commence and any changes in amounts to be deposited to or maintained in the Contingencies Fund established in Section 5.01(d);
- (j) If the series is issued to refund any outstanding obligations, a description of the plan of refunding and approval of any matters necessary or convenient to effect such refunding including the designation of an escrow agent and approval of an escrow deposit agreement, if necessary;
- (k) A finding by this Governing Authority that the parity requirements of the Outstanding Parity Bond Ordinances and/or Section 6.01 hereof will have been met with respect to such series, and a proposed form of parity certifications to be delivered on the Delivery Date of the series;
- (l) A finding by this Governing Authority that the proceedings had in connection with the issuance of such series is regular and authorizing the legend described in Section 2.07 to be included in the bonds of such series;
- (m) Authorization of the Executive Officers and/or such other persons as may be so designated to execute documents in connection with such series;
- (n) The designation of such series as "qualified tax-exempt obligations" under Section 265(b)(3) of the Code, if applicable;
- (o) The designation of such series as "Build America Bonds" or other similar designations under federal or state laws or regulations as may be applicable;
- (p) Provisions for any continuing disclosure agreement as may be required by Rule 15c2-12(b) of the Securities and Exchange Commission [17 CFR §240.15c2-12(b)];
- (q) Provisions for any post-issuance federal tax compliance procedures as may be necessary in connection with the issuance of the series;
- (r) Provisions for obtaining the approval of the State Bond Commission for the issuance of such series and covenants with respect to compliance with applicable rules and regulations of the State Bond Commission;
- (s) Provisions with respect to any Credit Enhancement; and
- (t) Any other additional provisions as may be necessary in connection with the issuance and sale of such series.

SECTION 2.05. Paying Agent. The City will at all times maintain a Paying Agent meeting the qualifications hereinafter described for the performance of the duties hereunder for the Bonds and as provided in Section 2.04(g) above will designate the Paying Agent for each series in the applicable Series Ordinance.

The City reserves the right to appoint a successor Paying Agent by (a) filing with the person then performing such function a certified copy of appropriate proceedings appointing a successor and (b) causing notice to be given to each Owner. Every successor Paying Agent appointed hereunder shall at all times be a financial or administrative officer of the City or a bank or trust company organized and doing business under the laws of the United States of America or of any State, authorized under such laws to exercise trust powers, and subject to supervision or examination by Federal or State authority.

SECTION 2.06. Execution. The Bonds shall be executed in the name and on behalf of the City by the manual or facsimile signatures of the Executive Officers, and the corporate seal of the City (or a facsimile thereof) shall be affixed, imprinted, engraved or otherwise reproduced on the Bonds. If facsimile signatures are used, then such signatures shall have been registered with the Louisiana Secretary of State in the manner required by La. R.S. 39:244.

SECTION 2.07. Regularity of Proceedings. The City, after having investigated the regularity of the proceedings had in connection with the issuance of the Bonds, and having determined the same to be regular in the applicable Series Ordinance, shall cause each series of the Bonds shall contain the following recital, to-wit:

"It is certified that this bond is authorized by and is issued in conformity with the requirements of the Constitution and statutes of this State."

SECTION 2.08. Regarding the Outstanding Parity Bond Ordinances. To the extent that any inconsistency exists in any provision of this General Bond Ordinance and either of the Outstanding Parity Bond Ordinances, then at the option of the owners of the affected issue of the Outstanding Parity Bonds, the provisions of the applicable Outstanding Parity Bond Ordinance shall control with respect to such issue instead of the provisions of this General Bond Ordinance.

ARTICLE III

PREPAYMENT OF BONDS

SECTION 3.01. Optional Prepayment of Bonds. The principal installments of the Bonds shall be subject to prepayment by the City in the manner set forth in the applicable Series Ordinance, pursuant to Section 2.04(e) above. If less than all of any maturity of Bonds is to be redeemed, then the Bonds to be redeemed shall be selected by the Paying Agent by lot, or in such other manner as may be set forth in the applicable Series Ordinance.

SECTION 3.02. Notice of Prepayment. Unless otherwise provided in a Series Ordinance, official notice of such call of any of the Bonds for prepayment shall be given by means of first class mail, postage prepaid by notice deposited in the United States Mail not less than thirty (30) days prior to the prepayment date addressed to the Owner of each Bond to be prepaid at his address as shown on the registration records of the Paying Agent, which notice may be waived by any Owner. In the event a portion of the Bonds is to be prepaid, such Bonds shall be surrendered to the Paying Agent, who shall note the date and amount of such prepayment in the space provided therefor on the Bonds.

ARTICLE IV

APPLICATION OF BOND PROCEEDS

SECTION 4.01. Application of Bond Proceeds. All of the proceeds derived from the sale of each series of the Bonds, except for any proceeds as may be designated in a Series Ordinance for deposit into the Reserve Fund or as accrued interest into the Debt Service Fund or as may be required in connection with the refunding of any indebtedness, or for the payment of the costs of any Credit Enhancement, shall be deposited by the City in a construction fund or account to be established for such series of the Bonds (the "Construction Fund"). Proceeds of any series of the Bonds in the Construction Fund (including investment earnings thereon) shall be used solely for the purpose of paying the applicable Costs of the Project and costs of issuance, and shall not be commingled with the proceeds of any other series of the Bonds.

However, in the case of refunding bonds, the proceeds to be used for refunding shall be applied to the immediate prepayment of the refunded obligations, or deposited into an escrow fund, as may be set forth in a Series Ordinance.

Any accrued interest and premium received upon the sale of the Bonds shall be deposited in the debt service fund described in Section 5.01(b) hereof.

SECTION 4.02. Investment of Construction Fund. Moneys in the Construction Fund may be temporarily invested in the manner provided by Louisiana law. Said moneys shall be sacred funds and the Owners shall have a lien thereon until said funds are paid out for the purposes for which the applicable series of the Bonds were issued. Any investment earnings on moneys in the Construction Fund may be retained in the Construction Fund and applied for the purposes described in this Section, or may be transferred to the Debt Service Fund described in Section 5.01(b) hereof and applied to the payment of interest accruing on the Bonds during the period of construction of Project.

All moneys in the Construction Fund shall at all times be secured to the full extent thereof by the banks or trust companies holding such funds by direct obligations of the United States of America or the State of Louisiana having a market value not less than the amount of moneys then on deposit in said funds.

ARTICLE V

PAYMENT OF BONDS; FLOW OF FUNDS

SECTION 5.01. Funds and Accounts. All of income and revenues earned or derived from the operation of the System shall be deposited daily as the same may be collected in the existing "Utility System Fund" heretofore referred to in the Outstanding Parity Bond Ordinances (the "Revenue Fund"). Funds in the Revenue Fund shall be expended in the following order of priority and for the following express purposes:

- (a) The payment of all reasonable and necessary expenses of operating and maintaining of the System as are not provided for from other lawfully available sources.

- (b) The maintenance of a "Utilities Revenue Bond Debt Service Fund" (the "Debt Service Fund"), referred to in the Outstanding Parity Bond Ordinances as the "Sinking Fund," with the regularly designated fiscal agent of the City, sufficient in amount to pay promptly and fully the principal of and the interest on the Bonds as they severally become due and payable, by transferring from funds in the Revenue Fund, after making the payments required by (a) above, to the Debt Service Fund monthly on or before the 20th day of each month of each year, a sum equal to 1/6th of the interest and Administrative Fee of the Department, if any, falling due on the Bonds on the next Interest Payment Date and a sum equal to 1/12th of the principal falling due on the Bonds on any Principal Payment Date that occurs within the next ensuing twelve months, together with such additional proportionate monthly sum as may be required to pay said principal, interest and Administrative Fee of the Department as the same become due. The City shall transfer from said Debt Service Fund to the paying agent(s) for all Bonds payable from the Debt Service Fund, or directly to the Owners, not less than three days prior to each Interest Payment Date, funds fully sufficient to pay promptly the principal, interest of the Bonds falling due on such date (including any administrative fee with respect to Bonds purchased by the Department).
- (c) The maintenance of a "Utilities Revenue Bond Debt Service Reserve Fund" (the "Reserve Fund"), referred to in the Outstanding Parity Bond Ordinances as the "Reserve Fund," with the regularly designated fiscal agent of the City, the money in the accounts of Reserve Fund to be retained solely for the purpose of paying the principal of and interest on the respective series of the Bonds payable from the Debt Service Fund as to which there would otherwise be default. The Reserve Fund shall initially contain of an account designated "Series 2009/2013 Account" funded to **\$417,549.41**, being the lesser of the following:
- (A) 10% of the proceeds of the Outstanding Parity Bonds, as follows:
- | | | |
|--------------|---------------------|-------------------------------|
| Series 2009A | \$ 1,000,000 | (net of 50% forgiveness) |
| Series 2009B | 3,000,000 | |
| Series 2012 | <u>1,245,000</u> | |
| | <u>\$ 5,245,000</u> | x 10% = \$524,500 ; or |
- (B) The highest combined principal and interest requirements on the Outstanding Parity Bonds, being the sum of **\$480,214.50** due in the Bond Year ending December 1, 2016; or
- (C) 125% of the average aggregate amount of principal and interest due in any Bond Year on the Outstanding Parity Bonds, being the sum of $\$334,039.53 \times 125\% = \mathbf{\$417,549.41}$.

The Reserve Fund shall also contain a separate account for each future series of the Bonds, each such account to be designated as the "Series ____ (insert series designation) Account" and to be funded by transferring from the proceeds of such series, from other available revenues, or from the Revenue Fund (after making all required payments from said fund as hereinabove described), monthly or

annually, such amounts as will increase the total amount on deposit in each account in the Reserve Fund within a period not exceeding five (5) years from the Delivery Date to a sum equal to the Reserve Fund Requirement for the applicable series of the Bonds.

- (d) The maintenance of the "Depreciation and Contingencies Fund" (the "Contingencies Fund"), with the regularly designated fiscal agent of the City, to care for extensions, additions, improvements, renewals and replacements necessary to properly operate the System, by transferring from funds in the Revenue Fund after making the payments required by (a), (b) and (c) above to the Contingencies Fund monthly on or before the 20th day of each month of each year, a sum equal to seven percent (7%) of the Revenues but such percentage shall not be applied to Revenues used to purchase power or received due to fuel adjustment charges, or an amount equal to twenty-five percent (25%) of the amount scheduled that month for payment to the Sinking Fund, whichever is greater. Such payments into the Contingencies Fund shall commence on the date set forth in the applicable Supplemental Ordinance and shall continue until such time as there has been accumulated in the Contingencies Fund the sum of Two Million Dollars (\$2,000,000), whereupon such payments may cease and need be resumed thereafter only if the total amount of money on deposit in said fund is reduced below the sum of Two Million Dollars (\$2,000,000), in which event such payments shall be resumed and continue until said maximum amount is again accumulated. In addition to caring for extensions, additions, improvements, renewals and replacements necessary to properly operate the System, the money in the Contingencies Fund may also be used to pay the principal of and the interest on the Bonds for the payment of which there is not sufficient money in the Debt Service Fund and Reserve Fund described in paragraphs (b) and (c) above, but the money in said Contingencies Fund shall never be used for the making of improvements and extensions to the System or for payment of principal or interest on Bonds if the use of said money will leave in said Contingencies Fund for the making of emergency repairs or replacements less than the sum of Fifteen Thousand Dollars (\$15,000).
- (e) Any money remaining in the Revenue Fund after making the above-required payments may be used by the City for the purpose of calling and/or purchasing and paying any bonds payable from the Net Revenues, or for such other lawful corporate purposes as the Governing Authority may determine.

SECTION 5.02. Reserve Fund Surety Bond or Policy Allowed. In lieu of the required transfers or deposits to the any account in the Reserve Fund other than the Series 2009/2013 Account, the City may cause to be deposited into such account in the Reserve Fund a surety bond or an insurance policy for the benefit of the holders of the applicable series of the Bonds or a letter of credit in an amount equal to the difference between the Reserve Fund Requirement for such series and the sums then on deposit in the applicable account in the Reserve Fund, if any, after the deposit of such surety bond, insurance policy or letter of credit. Such difference may be withdrawn by the City and be deposited in the Revenue Fund. The surety bond, insurance policy or letter of credit shall be payable (upon the giving of notice as required thereunder) on any due

date on which monies will be required to be withdrawn from the account in the Reserve Fund and applied to the payment of principal, premium, if any, or interest on the related series of the Bonds and such withdrawal cannot be met by amounts on deposit in such account in the Reserve Fund. If a disbursement is made pursuant to a surety bond, an insurance policy or a letter of credit provided pursuant to this section, the City shall be obligated either (i) to reinstate the maximum limits of such surety bond, insurance policy or letter of credit or (ii) to deposit into the applicable account in the Reserve Fund, funds in the amount of the disbursement made under such surety bond, insurance policy or letter of credit, or a combination of such alternatives, as shall result in the amount in the applicable account in the Reserve Fund being equal to the Reserve Fund Requirement for that series of the Bonds. Any other provision in this Section to the contrary notwithstanding, for each particular series of Bonds or portion thereof which is entitled to the benefits of Credit Enhancement, the right of the City to cause a surety bond or an insurance policy to be deposited into the Reserve Fund *in lieu* of the required cash transfers or deposits thereto shall be subject to the condition that the City obtain the prior written consent of the provider of the Credit Enhancement for such series as to the structure and the City or provider of such surety bond or insurance policy.

SECTION 5.03. Replenishment of Funds. If at any time it shall be necessary to use moneys in any account of the Reserve Fund or the Contingencies Fund for the purpose of paying principal of or interest on Bonds payable from the Debt Service Fund as to which there would otherwise be default, then the moneys so used shall be replaced from the revenues first thereafter received, not hereinabove required to be used for the purposes described in Section 5.01(a) and (b) above. If at any time there are sufficient moneys on deposit in the Debt Service Fund, Reserve Fund and Contingencies Fund to retire all outstanding Bonds payable from the Debt Service Fund by defeasance, by exercising the prepayment option provided by such Bonds or by purchase on the open market, then the City may utilize such funds for such purpose.

SECTION 5.04. Notification of Deficiencies. As required by La. R.S. 39:1410.62 the City will notify the State Bond Commission, in writing, whenever (i) transfers to any fund required to be established by this General Bond Ordinance or any ordinance or resolution authorizing the issuance of other indebtedness of the City have not been made timely or (ii) principal, interest, premiums, or other payments due on the Bonds or any other outstanding indebtedness of the City have not been made timely.

SECTION 5.05. Investment of Funds. All or any part of the moneys in the foregoing funds and accounts shall, at the written request of the City, be invested in accordance with the provisions of the laws of the State of Louisiana, except that moneys in any account in the Reserve Fund, if any, must be invested in Government Securities maturing in five (5) years or less from the date of investment. All income derived from such investments shall be added to the money in said respective funds or to the Revenue Fund and such investments shall, to the extent at any time necessary, be liquidated and the proceeds thereof applied to the purpose for which the respective funds are herein created.

For the purpose of determining if the required amount is being maintained in any of the funds, such investment securities shall be valued at least annually at the lesser of amortized cost (exclusive of accrued interest) or fair market value.

SECTION 5.06. Deposit of Funds and Security Therefor. All of the income and revenues to be earned from the operation of the System shall be deposited daily as provided in Section 5.01 hereof in the Revenue Fund, which Fund shall be maintained separate and apart from all other funds of the City. The Debt Service Fund, the Reserve Fund and the Contingencies Fund shall be held by the depository banks as special trust funds for the purposes provided in this General Bond Ordinance, and all other funds shall be held by the designated banks as special deposits for the purposes set forth in this General Bond Ordinance, and subject to such reasonable instructions as the Governing Authority may give in writing to the banks holding such funds. The Owners are hereby granted a lien on all funds established pursuant to the requirements of this General Bond Ordinance until applied in the manner herein provided, provided that the Owners will only have a lien or claim against the particular account in the Reserve Fund that pertains to the issue of the Bonds that such Owners own. The moneys on deposit in all of the funds herein required shall at all times be secured to the full extent thereof by the banks or trust companies holding such funds by direct obligations of the United States of America or the State of Louisiana having a market value not less than the amount of moneys then on deposit in said funds.

ARTICLE VI

ISSUANCE OF PARITY OBLIGATIONS

SECTION 6.01. Issuance of Parity Obligations; Parity Requirements. The City hereby covenants that it shall issue no other bonds hereunder or otherwise, or obligations of any kind or nature payable from or enjoying a lien on any part of the Net Revenues having priority over or parity with any of the Bonds, except that Parity Obligations may be issued hereunder and hereafter if the following conditions are met:

- (a) If any of the Bonds or any bonds issued hereunder are proposed to be refunded with reduced annual debt service in each Bond Year and no extension of the final maturity date, then the City may issue refunding bonds to effect such refunding, and such refunding bonds shall enjoy complete equality of lien with any portion of the Outstanding Parity Bonds and the Bonds that is still outstanding;
- (b) Parity Obligations may also be issued if all of the following conditions are met:
 - (i) The average Net Revenues for the three (3) completed Fiscal Years immediately preceding the issuance of the Parity Obligations must have been not less than one and three-tenths (1.3) times the highest combined principal and interest requirements (including any Department administrative fee) for any succeeding Fiscal Year period on all Bonds then Outstanding, including any Parity Obligations theretofore issued and then outstanding and any other bonds or obligations whatsoever then outstanding which are payable from the Net Revenues (but not including Bonds which have been refunded or provisions otherwise made for their full and complete payment and prepayment), and the Parity Obligations so proposed to be issued. For the purpose of this calculation, principal maturities shall include mandatory redemption of term bonds and there

shall be subtracted from term bond maturities the amount of such mandatory redemption so that the calculation shall be made assuming retirement of the term bonds according to the schedule of mandatory redemption. Furthermore, if Parity Obligations are being issued as Variable Rate Bonds, this calculation shall be made assuming interest on said Variable Rate Bonds at the maximum or ceiling rate that such bonds may bear; and provided further that this limitation may be waived or modified by the written consent of the owners of any Bonds then outstanding. If a rate increase has been effected prior to the issuance of the Parity Obligations, then the coverage calculations for the preceding three Fiscal Years immediately preceding the issuance of the Parity Obligations may be made as if such rate increase had been in effect during such period.

- (ii) The payments required to be made into the various funds provided in Section 5.01 hereof must be current;
- (iii) The existence of the facts required by paragraphs (i) and (ii) above must be determined and certified to by the chief financial officer of the City, or by an independent firm of certified public accountants who have previously audited the books of the City, or such successors thereof as may have been employed for that purpose;
- (iv) In making the determination of the facts required by paragraphs (i) above in the event of a rate increase having been effected prior to the issuance of the Parity Obligations, there may be a reliance upon the calculation of the adjustment of Net Revenues as a result of such increase as prepared by a recognized engineer or firm of engineers employed for such purpose;
- (v) The proceeds of the Parity Obligations must be used solely for the making of improvements, extensions, renewals, replacements or repairs to the System or to refund any outstanding bonds payable from a pledge of the Net Revenues issued for such purposes;
- (vi) The proceeds of the Parity Obligations must be used solely for the making of improvements, extensions, renewals, replacements or repairs to the System or to refund any outstanding bonds payable from a pledge of the Net Revenues issued for such purposes; and
- (vii) No Event of Default hereunder or under any Series Ordinance (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such default shall be cured upon such issuance, unless otherwise permitted by the provider(s) of any Credit Enhancement.
- (viii) In addition to the foregoing, for so long as any of the Outstanding Parity Bonds are outstanding, then any additional parity bond requirements contained in the Outstanding Parity Bond Ordinances shall also be complied with.

ARTICLE VII

RATES AND CHARGES; RATE COVENANT; COVENANTS AS TO THE OPERATION OF THE SYSTEM

SECTION 7.01. Operation of the System. The City will maintain the System in good repair and operating condition.

SECTION 7.02. Utility Connections. The Governing Authority shall take all action necessary to require every owner, tenant or occupant of each lot or parcel of land within the geographical boundaries of the City which abuts upon a street or other public way containing an electric supply line, a drinking water distribution line or a wastewater collection line and upon which lots or parcels of a building shall have been constructed for residential, commercial or industrial use, to connect said building with the electric, drinking water and/or wastewater portions of the System and to cease to use any other method for the provision of electricity (other than alternative electricity generation sources such as solar or wind limited to furnishing power to the specific property in question), or the furnishing of drinking water through the plumbing system of such building or the collection and disposal of wastewater from such building which can be handled by the electric, drinking water and/or wastewater portions of the System. All such connections shall be made in accordance with the rules and regulations to be adopted from time to time by the Governing Authority, which rules and regulations may provide for an inspection charge to assure the proper making of such connection.

In addition to all other rights and remedies available to be used for the enforcement of utility charges and for the compelling of the making of electric, water and sewer connections as aforesaid, the City covenants that it shall exercise and enforce promptly and efficiently all rights given it under the laws of the State for the enforcement and collection of such charges.

SECTION 7.03. Competitive Franchises. So long as the Bonds are Outstanding the Governing Authority, in its capacity as governing authority of the City, obligates itself not to grant a franchise to any utility for operation within the boundaries of the City which would render services or facilities in competition with the System, and also obligates itself to oppose the granting of any such franchise by any other public body having jurisdiction over such matters. Further, the City shall maintain its corporate identity and existence so long as any of the Bonds remain outstanding.

SECTION 7.04. Rate Covenant. The City, through the Governing Authority, hereby covenants to fix, establish and maintain such rates and collect such fees, rents or other charges for the services and facilities of the System, and all parts thereof, and to revise the same from time to time whenever necessary, as will always provide revenues in each year sufficient to pay the necessary expenses of administering, operating and maintaining the System in each year, the principal and interest maturing on the Bonds herein authorized in each year, all reserves or sinking funds or other payments required for such year by this Ordinance, and all other obligations or indebtedness payable out of the revenues of the System for such year. Such rates, fees, rents or other charges shall not at any time be reduced so as to be insufficient to provide adequate revenues for such purposes and at any rate, the Governing Authority shall fix, establish,

maintain, levy and collect such rates, fees, rents or other charges for services and facilities system to always provide revenues in each fiscal year sufficient to pay:

- (a) The reasonable and necessary expenses of operating and maintaining the System in each Fiscal Year,
- (b) The principal and interest and Administrative Fee, if any, of the Department falling due during the Fiscal Year;
- (c) All other payments required for such Fiscal Year by this General Bond Ordinance and the applicable Series Ordinance(s); and
- (d) All other obligations or indebtedness of the City payable out of the Net Revenues for such Fiscal Year,

and which in any event will provide Net Revenues, in an amount equal to at least one hundred twenty-five percent (125%) of the required deposits in such Fiscal Year to the Debt Service Fund. Such rates, fees, rents or other charges shall not at any time be reduced so as to be insufficient to provide adequate Revenues of the System for the foregoing purposes.

As provided by La. R.S. 39:1019, no board or commission other than the Governing Authority shall have authority to fix or supervise making of such fees and charges.

SECTION 7.05. Enforcement of User Fees. Except as otherwise provided, nothing in this Ordinance or in the Bonds shall be construed to prevent the City from altering, amending or repealing from time to time as may be necessary any resolutions or ordinances setting up and establishing a schedule or schedules of rates and charges for the services and facilities to be rendered by the System, said alterations, amendments or repeals to be conditioned upon the continued preservation of the rights of the Owners with respect to the income and revenues of the System, not alone for the payment of the principal of and the interest on the Bonds, but to give assurance and insure that the income and revenues of the System shall be sufficient at all times to meet and fulfill the other provisions stated and specified in Section 5.01 of this Ordinance.

It is understood and agreed, however, that the City shall fix, establish and maintain such rates and collect such fees, rents or other charges for the services and facilities to be rendered by the System, irrespective of the user thereof, that no free services or facilities shall be furnished to any person, association of persons or corporation, public or private, except the City itself, and that all service shall be metered, and that no discrimination shall be made as to rates and charges for the services and facilities of the System as between users of the same type or class, provided, however, that the City shall not be required to meter electricity used by the City for street lighting purposes nor shall the City be required to meter water used for firefighting purposes through its tire hydrants. Nor shall the City be required to pay from its general revenues to the Revenue Fund any annual fire hydrant rental nor any fees for electricity used for municipal street lighting.

It is further understood and agreed that the schedule of rates, fees, rents, or other charges being charged as of the date of the adoption of this General Bond Ordinance for services and facilities rendered by the System shall remain in effect until changed in compliance with the

provisions of Section 7.04 of this Bond Ordinance. The City agrees that all charges owed by any individual, partnership or corporation for water, sewer and electricity rendered by the Utilities System shall be billed and collected as a unit; that failure of any individual, partnership or corporation to pay said combined charge within fifteen (15) days of the date on which it is billed shall cause such charge to become delinquent; that if such delinquent charge, with penalties accrued thereon, is not paid within ten (10) days from the date on which it became delinquent, the City will shut off water and electric service to the affected premises within the City and water service to the affected premises for customers outside the City limits; and that the City, the Governing Authority and its officials, agents and employees will do all things necessary and will take advantage of all remedies afforded by law to collect and enforce the prompt payment of all charges made for utilities services rendered by the System.

All delinquent charges for such services shall on the date of delinquency have added thereto delinquent charges, penalties and interest at such rate(s) as may be fixed from time to time by this Governing Authority. If service shall be discontinued as above provided, the customer shall in addition to paying the delinquent charges, penalties and interest, pay as a condition precedent to the resumption of service, a reasonable re-connection charge for each service resumed.

It is further understood and agreed that the schedule of rates, fees, rents and other charges being charged as of the date of the adoption of this General Bond Ordinance for services and facilities rendered by the System shall remain in effect and neither said existing schedule nor any subsequent schedule shall be reduced at any time unless all payments required for all funds by this General Bond Ordinance, including any deficiencies for prior payments, have been fully made, and unless such schedule as so reduced will in each year thereafter produce sufficient revenues to meet and fulfill the other provisions stated and specified in in Section 5.01 of this Ordinance.

SECTION 7.06. Annual Review of User Fees. At least annually the Governing Authority shall review the adequacy of its User Fees to satisfy the requirements of Section 7.047.03 for the next succeeding Fiscal Year.

SECTION 7.07. Right to Pledge Revenues; Rank of Lien. In providing for the issuance of the Bonds, the City does hereby covenant and warrant that it has a legal right to pledge the Net Revenues as herein provided, that the Bonds will have a lien and privilege on said Net Revenues subject only to the prior payment from such Net Revenues or from other lawfully available sources of all reasonable and necessary costs and expenses of operating and maintaining the System. The lien of the Bonds on the Net Revenues shall be prior and superior to the lien on any other indebtedness of the City or City payable from "all available revenues."

SECTION 7.08. Records and Accounts; Audit Reports. The City will establish and maintain (or cause the City to establish and maintain) adequate financial records as required by the laws of the State governing financial record-keeping by political subdivisions and in accordance with generally accepted accounting principles ("GAAP") and will make these and the following records and reports available to the Owners or their authorized representatives upon request.

The City will cause an audit of its financial statements to be made by an independent firm of certified public accountants in accordance with the requirements of Chapter 8 of Title 24 of the Louisiana Revised Statutes of 1950, as amended, and if either Department owns any of the Bonds, in accordance with the requirements of Circular A-133 of the U.S. Office of Management and Budget, and Section 66.458 or 66.468, as the case may be, of the Catalog of Federal Domestic Assistance, if applicable. Upon completion, but in no event later than six (6) months after the close of the applicable Fiscal Year, the City shall file a copy of such audited financial statements with any Owner requesting same and to the provider(s) of any Credit Enhancement. In addition to whatever matters may be thought proper by the auditors to be included therein, the audited financial statements shall include the following:

- (a) A statement in detail of the income and expenditures of the System for such Fiscal Year,
- (b) A balance sheet of the System as of the end of such Fiscal Year;
- (c) The accountant's comments regarding the manner in which the City has carried out the requirements of this General Bond Ordinance and the accountant's recommendations for any changes or improvements in the operation of the System or the method of keeping the records relating thereto;
- (d) A list of the insurance policies in force at the end of the Fiscal Year, setting out as to each policy the amount of the policy, the risks covered, the name of the insurer and the expiration date of the policy;
- (e) The number of System users at the end of the Fiscal Year;
- (f) An analysis of additions, replacements and improvements to the physical properties of the System during the Fiscal Year;
- (g) An analysis of all funds created pursuant to this General Bond Ordinance setting out as to each all deposits and disbursements made during the Fiscal Year;
- (h) A statement of all schedules of User Fees in effect during the Fiscal Year, the aggregate dollar billed for services rendered by the System during such Fiscal Year and the average monthly billing per user; and
- (i) A schedule of fixed assets, if not provided elsewhere in the audit report.

A reasonable portion of the expenses incurred in the preparation of the audit report required by this Section may be regarded and paid as a maintenance and operation expense of the System. The City further agrees that if the Department owns any of the Bonds, the Department shall have the right to ask for and discuss with the accountant making the review and the contents of the review and such additional information as it may reasonably require. The City further agrees that if the Department owns any of the Bonds, the City will furnish to the Department, upon request therefor, a monthly statement itemized to show the income and expenses of the operation of the System and the number of users for the preceding month.

SECTION 7.09. Rights of Bondholders; Appointment of Receiver in Event of Default.

The Owners from time to time shall be entitled to exercise all rights and powers for which provision is made in the laws of the State of Louisiana, including, without limitation, La. R.S. 39:1014(C). Any Owners or any trustee acting for such Owners in the manner hereinafter provided, may, either at law or in equity, by suit, action, mandamus or other proceeding in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State of Louisiana, or granted and contained in the Ordinance, and may enforce and compel the performance of all duties required by the Ordinance, or by any applicable statutes to be performed by the City or by any agency, board or officer thereof, including the fixing, charging and collecting of rentals, fees or other charges for the use of the System, and in general to take any action necessary to most effectively protect the rights of the Owners.

The provider of any Credit Enhancement with respect to a series of the Bonds shall be deemed to be the sole Owner of such Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the Owners of such Bonds are entitled to take pursuant to this General Bond Ordinance or the applicable Series Ordinance including, without limitation, those pertaining to (i) defaults and remedies under Article X and (ii) the duties and obligations of the Paying Agent.

In the event that default shall be made in the payment of the interest on or the principal of any of the Bonds as the same shall become due, or in the making of the payments into the Debt Service Fund or Reserve Fund or any other payments required to be made by this General Bond Ordinance or any Series Ordinance, or in the event that the City or any agency, board, officer, agent or employee of the City shall fail or refuse to comply with the provisions of this General Bond Ordinance or any Series Ordinance or shall default in any covenant made herein, and in the further event that any such default shall continue for a period of thirty (30) days after written notice, then any Owner or any trustee appointed to represent such Owner(s) as hereinafter provided, shall be entitled as of right to the appointment of a receiver of the System in an appropriate judicial proceeding in a court of competent jurisdiction.

The receiver so appointed shall forthwith directly or by his agents and attorneys, enter into and upon and take possession of the System, and each and every part thereof, and shall hold, operate and maintain, manage and control the System, and each and every part thereof, and in the name of the City shall exercise all the rights and powers of the City with respect to the System as the City itself might do. Such receiver shall collect and receive all rates, fees, rentals and other revenues, maintain and operate the System in the manner provided in this General Bond Ordinance, and comply under the jurisdiction of the court appointing such receiver, with all of the provisions of this General Bond Ordinance.

Whenever all that is due upon the Bonds and interest thereon, and under any covenants of this General Bond Ordinance or any Series Ordinance for reserve, sinking or other funds, and upon any other obligations and interest thereon, having a charge, lien or encumbrance upon the fees, rentals or other revenues of the System, shall have been paid and made good, and all defaults under the provisions of this General Bond Ordinance and any Series Ordinance shall have been cured and made good, possession of the System shall be surrendered to the City upon the entry of an order of the court to that effect. Upon any subsequent default, any Owner of

Bonds, or any trustee appointed for the Owners as hereinafter provided, shall have the same right to secure the further appointment of a receiver upon any such subsequent default.

Such receiver shall in the performance of the powers hereinabove conferred upon him be under the direction and supervision of the court making such appointment, shall at all times be subject to the orders and decrees of such court, and may be removed thereby and a successor receiver appointed in the discretion of such court. Nothing herein contained shall limit or restrict the jurisdiction of such court to enter such other and further orders and decrees as such court may deem necessary or appropriate for the exercise by the receiver of any function not specifically set forth herein.

Any receiver appointed as provided herein shall hold and operate the System in the name of the City and for the joint protection and benefit of the City and the Owners. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any property of any kind or character belonging or pertaining to the System but the authority of such receiver shall be limited to the possession, operation and maintenance of the System for the sole purpose of the protection of both the City and the Owners and the curing and making good of any default under the provisions of this General Bond Ordinance and any Series Ordinance, and the title to and the ownership of the System shall remain in the City, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, mortgage or otherwise dispose of any property of the System except with the consent of the City and in such manner as the court shall direct.

The Owner or Owners of Bonds in an aggregate principal amount of not less than twenty-five percent (25%) of Bonds issued under this General Bond Ordinance then Outstanding (including the Outstanding Parity Bonds) may by a duly executed certificate appoint a trustee for the Owners with authority to represent such Owners in any legal proceedings for the enforcement and protection of the rights of such Owners. Such certificate shall be executed by such Owners, or by their duly authorized attorneys or representatives, and shall be filed in the office of the chief financial officer of the City.

UNTIL AN EVENT OF DEFAULT SHALL HAVE OCCURRED, THE CITY SHALL RETAIN FULL POSSESSION AND CONTROL OF THE SYSTEM WITH FULL RIGHT TO MANAGE, OPERATE AND USE THE SAME AND EVERY PART THEREOF WITH THE RIGHTS APPERTAINING THERETO, AND TO COLLECT AND RECEIVE, AND, SUBJECT TO THE PROVISIONS OF THIS GENERAL BOND ORDINANCE, TO TAKE, USE AND ENJOY AND DISTRIBUTE THE EARNINGS, INCOME, RENT, ISSUE AND PROFITS ACCRUING ON OR DERIVABLE FROM THE SYSTEM.

SECTION 7.10. Limitations on Sale, Lease or Other Disposition of Property. So long as any of the Bonds are outstanding and unpaid in principal or interest, the City shall be bound and obligated not to sell, lease, encumber or in any manner dispose of the System or any substantial part thereof; provided, however, that this covenant shall not be construed to prevent the disposal by the City of property which in its judgment has become worn out, unserviceable, unsuitable or unnecessary in the operation of the System, when other property of equal value or function is substituted therefor or the sale price thereof is deposited in the aforesaid Contingencies Fund.

SECTION 7.11. Prohibition Against Encumbrances. Except as provided in Section 7.10 of this General Bond Ordinance, the City will maintain title to or the possession of the System and equipment acquired and properties improved by the System, including any necessary servitudes and rights-of-way acquired in connection with the System or any Project. Title to any immovable equipment and any real property purchased by the City in connection with the System will remain free and clear of all liens and encumbrances. Furthermore, all movable property necessary for the operation of the System will remain free of all liens except liens necessary to secure the purchase of said movable equipment.

SECTION 7.12. Insurance; Fidelity Bonds. So long as the Bonds are outstanding the City will maintain or cause to be maintained in force insurance policies and fidelity bonds as shall be required by prudent business practices relating to the operation of municipal sewerage systems.

ARTICLE VIII

FEDERAL TAX MATTERS; CONTINUING DISCLOSURE

SECTION 8.01. General Tax Covenants. In the event that any of the Bonds are issued as tax-exempt bonds for federal income tax purposes, or as Build America Bonds (or similar), the City covenants and agrees that, to the extent permitted by the laws of the State of Louisiana, it will comply with the requirements of the Code in order to establish, maintain and preserve the exclusion from "gross income" of interest on the Bonds under the Code or the status of the Bonds as Build America Bonds (or similar).

The City further covenants and agrees that it will not take any action, fail to take any action, or permit any action within its control to be taken, or permit at any time or times any of the proceeds of the Bonds or any other funds of the City to be used directly or indirectly in any manner, the effect of which would be to cause the Bonds to be "arbitrage bonds" or would result in the inclusion of the interest on any of the Bonds in gross income under the Code, including, without limitation, (i) the failure to comply with the limitation on investment of Bond proceeds or (ii) the failure to pay any required rebate of arbitrage earnings to the United States of America or (iii) the use of the proceeds of the Bonds in a manner which would cause the Bonds to be "private activity bonds" or fail to be Build America Bonds (or similar), if applicable.

ARTICLE IX

SUPPLEMENTAL BOND ORDINANCES

SECTION 9.01. Supplemental Ordinances Effective Without Consent of Owners. For any one or more of the following purposes, in addition to the adoption of Series Ordinances pursuant to Section 2.04 with respect to the issuance of additional series of the Bonds, and at any time from time to time, an ordinance supplemental hereto may be adopted, which, upon the filing with the Paying Agent and any rating agency which is then rating any of the Bonds, of a notice thereof at least fifteen (15) days prior to the adoption thereof, and thereafter with a certified copy thereof, but without any consent of the Owners, shall be fully effective in accordance with its terms:

- (a) To add to the covenants and agreements of the City in this General Bond Ordinance other covenants and agreements to be observed by the City which are not contrary to or inconsistent with this General Bond Ordinance as theretofore in effect;
- (b) To add to the limitations and restrictions in this General Bond Ordinance other limitations and restrictions to be observed by the City which are not contrary to or inconsistent with this General Bond Ordinance as theretofore in effect;
- (c) To surrender any right, power or privilege reserved to or conferred upon the City by the terms of this General Bond Ordinance, but only if the surrender of such right, power or privilege is not contrary to or inconsistent with the covenants and agreements of the City contained in this General Bond Ordinance;
- (d) To cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision of this General Bond Ordinance; or
- (e) To insert such provisions clarifying matters or questions arising under this General Bond Ordinance as are necessary or desirable and are not contrary to or inconsistent with this General Bond Ordinance as theretofore in effect.

SECTION 9.02. Supplemental Ordinances Effective With Consent of Owners and Providers of Credit Enhancement. Except as provided in Sections 2.04 and 9.01, any modification or amendment of this General Bond Ordinance or of the rights and obligations of the City, the Owners or the provider of any Credit Enhancement hereunder, in any particular, may be made by a supplemental ordinance, with the written consent of the Owners of a majority of the Outstanding principal amount of the Bonds at the time such consent is given and the provider of Credit Enhancement for any affected series of the Bonds. The City shall give a notice thereof to the Paying Agent, the provider of Credit Enhancement for any affected series of the Bonds and any rating agency which is then rating the Bonds, at least fifteen (15) days prior to the adoption thereof, and thereafter shall furnish to said persons a certified copy thereof. No such modification or amendment shall permit a change in the terms of prepayment or maturity of the principal of any outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or the prepayment price thereof or in the rate of interest thereon without the consent of the Owner of such Bond and the provider of Credit Enhancement for any affected series of the Bonds, or shall reduce the percentages of Bonds the consent of the Owner of which is required to effect any such modification or amendment, or change the obligation of the City to levy and collect User Fees as provided herein, without the consent of the Owners of all of the Bonds then outstanding and the provider of Credit Enhancement for any affected series of the Bonds or shall change or modify any of the rights or obligations of the Paying Agent without its written assent thereto.

ARTICLE X

EVENTS OF DEFAULT; REMEDIES

SECTION 10.01. Events of Default. If one or more of the following events (in this General Bond Ordinance called "Events of Default") shall happen, that is to say:

- (a) default shall be made in the due and punctual payment of the principal of any Bond when and as the same shall become due and payable, whether at maturity or otherwise; or
- (b) default shall be made in the due and punctual payment of any installment of interest on any Bond when and as such interest installment shall become due and payable; or
- (c) default shall be made by the City in the performance or observance of any other of the covenants, agreements or conditions on its part in this General Bond Ordinance, any Series Ordinance or in the Bonds contained and such default shall continue for a period of thirty (30) days after written notice thereof to the City by the Owners of not less than 25% of the Outstanding principal amount of the affected series of the Bonds; or
- (d) the City shall file a petition or otherwise seek relief under any Federal or State bankruptcy law or similar law.

Upon the happening and continuance of any Event of Default the Owners shall be entitled to exercise all rights and powers for which provision is made under Louisiana law.

SECTION 10.02. Retention of Consulting Engineer in Case of Certain Defaults. THE PROVISIONS OF THIS SECTION SHALL APPLY ONLY DURING ANY PERIOD WHEN THE CITY MAY BE IN DEFAULT IN MAKING REQUIRED PAYMENTS INTO THE FUNDS REQUIRED BY SECTION 5.01 OR WHEN AN "EVENT OF DEFAULT" HAS OCCURRED UNDER SECTION 10.01.

The City covenants and agrees that in the event it should fail to derive sufficient income from the operation of the System to make the required monthly payments into the funds established by Section 5.01 hereby or when an Event of Default has occurred hereunder, it will retain a professionally qualified engineer or engineering firm to provide continuous advice, consultancy and/or technical assistance with respect to the System until all defaults are cured (the "Consulting Engineer"). Such Consulting Engineer shall be retained under contract at such reasonable compensation as may be fixed by the Governing Authority, and the payment of such compensation shall be considered to be one of the costs of maintaining and operating the System. Any Consulting Engineer appointed under the provisions of this Section may be replaced at any time by another Consulting Engineer appointed or retained by the City, with the consent and approval of the Owners of a majority of the outstanding principal amount of the Bonds herein authorized.

The Consulting Engineer shall prepare within ninety (90) days after the close of each Fiscal Year a comprehensive operating report, which report shall contain therein or be accompanied by a certified copy of an audit of the preceding Fiscal Year prepared by the City's certified public accountants, and in addition thereto, shall report upon the operations of the System during the preceding Fiscal Year, the maintenance of the properties, the efficiency of the management of the System, the proper and adequate keeping of books of record and account, the adherence to budget and budgetary control provisions, the adherence to the provisions of this General Bond Ordinance and all other things having a bearing upon the efficient and profitable operation of the System, and shall include whatever criticism of any phase of the operation of the System the Consulting Engineer may deem proper, and such recommendations as to changes in operations and the making of repairs, renewals, replacements, extensions, betterments and improvements as the Consulting Engineer may deem proper. Copies of such report shall be placed on file with the Governing Authority and sent to the Owners, and shall be open to inspection by any Owners of any of the Bonds. It shall be the duty of the Consulting Engineer to pass on the economic soundness or feasibility of any extensions, betterments, improvements, expenditures or purchases of equipment and materials or supplies, which will involve the expenditure of more than Five Thousand Dollars (\$5,000), whether in one or more than one order, and whether authorized by a budget or not, from funds on deposit in the Contingencies Fund, and the Consulting Engineer shall devise and prescribe a form or forms wherein shall be set forth his or its approval in certificate form, copies of which shall be filed with the chief financial officer of the City.

Sixty (60) days before the close of each Fiscal Year, the Consulting Engineer shall submit to the Governing Authority a suggested budget for the ensuing year's operation of the System and shall submit recommendations as to the schedule of rates and charges for services supplied by the System, taking into account any other lawfully available funds of the City that may be available for such purposes. A copy of said suggested budget and recommendations shall also be furnished by said Consulting Engineer directly to the Owners. Such recommendations as to rates and charges, consistent with the requirements relating thereto contained herein, shall be followed by the Governing Authority insofar as practicable and all other recommendations shall be given careful consideration by the Governing Authority and shall be substantially followed, except for good and reasonable cause. No expenditures for the operation, maintenance and repair of the System in excess of the amounts stated in said budget shall be made in any year, except upon the certificate of the Consulting Engineer that such expenditures are necessary and essential to the continued operation of the System.

It shall be the duty of the Consulting Engineer to prescribe a system of budgetary control along with forms for exercising of such control which shall be utilized by the manager or superintendent of the System and his staff, and the manager or superintendent shall cause to be prepared monthly reports not later than the twentieth day of each month, for the preceding month's business and operation of the System, which reports shall be submitted to the Consulting Engineer, who shall prepare an analysis of each such report, which analysis shall be filed monthly as expeditiously as possible with the chief financial officer of the City, the manager or superintendent and with the original purchaser of the Bonds.

In the event the Governing Authority shall fail to select and retain a Consulting Engineer in accordance with the first paragraph of this Section within thirty (30) days after the occurrence

of the conditions prescribed thereby, then upon the petition of the Owners of twenty-five percent (25%) of the aggregate principal amount of the Bonds then outstanding (including the Outstanding Parity Bonds), the Governing Authority shall select and retain such Consulting Engineer as is named in the petition of said Owners.

ARTICLE XI

MISCELLANEOUS

SECTION 11.01. Defeasance. (a) If the City shall pay or cause to be paid to the Owners of all Bonds then outstanding, the principal and interest and prepayment premium, if any, to become due thereon, at the times and in the manner stipulated therein and in this General Bond Ordinance, then the covenants, agreements and other obligations of the City to the Owners of such Bonds shall be discharged and satisfied. In such event, the Paying Agent shall, upon the request of the City, execute and deliver to the City all such instruments as may be desirable to evidence such discharge and satisfaction and the Paying Agent shall pay over or deliver to the City all moneys, securities and funds held by them pursuant to this General Bond Ordinance which are not required for the payment or prepayment of Bonds not theretofore surrendered for such payment or prepayment.

(b) Bonds or interest installments for the payment of which money shall have been set aside and shall be held in trust (through deposit by the City of funds for such payment or otherwise) at the maturity date thereof shall be deemed to have been paid within the meaning and with the effect expressed above in this Section if they have been defeased using Defeasance Obligations pursuant to Chapter 14 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, or any successor provisions thereto. In addition to the foregoing, in connection with any defeasance the City shall cause to be delivered (i) a report of an independent firm of nationally recognized certified public accountants or such other accountant (the "Accountant") verifying the sufficiency of the escrow established to pay the Bonds in full on the maturity or redemption date (the "Verification"), (ii) an Escrow Deposit Agreement, and (iii) an opinion of nationally recognized bond counsel to the effect that the Bonds are no longer Outstanding under this General Bond Ordinance. Each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the City, the Paying Agent for the affected Bonds and the provider of Credit Enhancement for the affected Bonds. The provider of Credit Enhancement for any affected Bonds shall be provided with final drafts of the above referenced documentation not less than five business days prior to the funding of the escrow.

SECTION 11.02. Parties Interested Herein. Nothing in this General Bond Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or corporation, other than the City, the Paying Agent, the Owners and the providers of any Credit Enhancement any right, remedy or claim under or by reason of this General Bond Ordinance or any covenant, condition or stipulation thereof; and all the covenants, stipulations, promises and agreements in this General Bond Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City, the Paying Agent, the Owners and the providers of any Credit Enhancement.

SECTION 11.03. No Recourse on the Bonds. No recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on this General Bond Ordinance against any member of the Governing Authority or officer of the City or any person executing the Bonds.

SECTION 11.04. Successors and Assigns. Whenever in this General Bond Ordinance the City is named or referred to, it shall be deemed to include its successors and assigns and all the covenants and agreements in this General Bond Ordinance contained by or on behalf of the City shall bind and enure to the benefit of its successors and assigns whether so expressed or not.

SECTION 11.05. Severability. In case any one or more of the provisions of this General Bond Ordinance or of the Bonds issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this General Bond Ordinance or of the Bonds, but this General Bond Ordinance and the Bonds shall be construed and enforced as if such illegal or invalid provisions had not been contained therein. Any constitutional or statutory provision enacted after the date of this General Bond Ordinance which validates or makes legal any provision of this General Bond Ordinance or the Bonds which would not otherwise be valid or legal shall be deemed to apply to this General Bond Ordinance and to the Bonds.

SECTION 11.06. Publication of Ordinance. As provided by Section 2.11(D) of the City's Home Rule Charter, this General Bond Ordinance shall be published one (1) time in the official journal of the City after it is approved by the Mayor.

SECTION 11.07. Effective Date. This General Bond Ordinance shall become effective immediately upon its adoption.

[Remainder of page intentionally left blank; signature page to follow.]

THIS ORDINANCE was introduced on January 12, 2015 and published in the *Natchitoches Times* on January 17, 2015.

The above Ordinance having been duly advertised in accordance with law and public hearing had on same, was put to a vote by the Mayor and the vote was recorded as follows:

AYES: Payne, Nielsen, Stamey, Morrow
NAYS: None
ABSENT: None
ABSTAIN: None

THEREUPON, Mayor Pro Tempore, Don Mims declared the Ordinance passed by a vote of 4 Ayes to 0 Nays this 26th day of January, 2015.

/s/ Don Mims
DON MIMS, MAYOR PRO TEMPORE

Delivered to the Mayor on the 27th day of January, 2015 at 10:00 A.M.

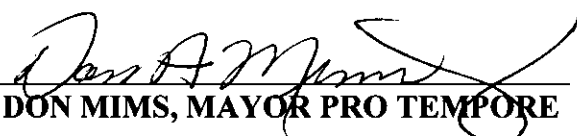
/s/ Lee Posey
LEE POSEY, MAYOR

THIS ORDINANCE was introduced on January 12, 2015 and published in the *Natchitoches Times* on January 17, 2015.

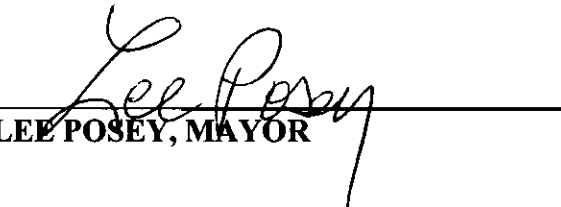
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NAYS: None
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THEREUPON, Mayor Pro Tempore, Don Mims declared the Ordinance passed by a vote of 4 Ayes to 0 Nays this 26th day of January, 2015.


DON MIMS, MAYOR PRO TEMPORE

Delivered to the Mayor on the 27th day of January, 2015 at 10:00 A.M.


LEE POSEY, MAYOR

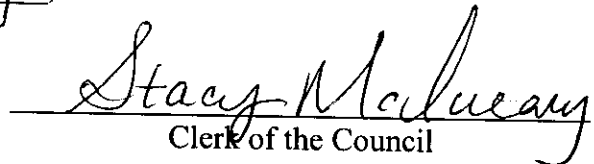
STATE OF LOUISIANA

CITY OF NATCHITOCHES

I, the undersigned Clerk of the Natchitoches City Council do hereby certify that the foregoing Ordinance (29) pages constitute a true and correct copy of a General Bond Ordinance adopted by said City Council on January 26, 2015, authorizing the issuance from time to time of Utilities Revenue Bonds of City of Natchitoches, State of Louisiana; prescribing the form, and certain terms and conditions of said bonds; establishing funds and accounts relating to said bonds; providing for the payment thereof in principal and interest including a rate covenant relating thereto; and providing for other matters in connection therewith.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of said City on this, the 27 day of January, 2015.

(SEAL)


Clerk of the Council

Mr. David Wolfe, bond attorney for the City, approached the council to address Ordinance 001 and 002 of 2015. He mentioned the purpose of the two ordinances is to authorize the loan from the DHH Drinking Water Revolving Loan Fund. This loan is going to be issued at a rate of 3.45% rate with 30% forgiveness so payback will only be 70% or \$1.4 million of the \$2 million loan repaid over 20 years. This is a draw down loan so the City will only pay on the money the City uses. The general bond ordinance is going to lay the ground work for all your future issuances in reference to utility, electric, or sewer revenue bonds. All ordinances for future projects will be carried out pursuant to a supplemental bond ordinance for that specific project like that of Ordinance 002 of 2015.

The following entitled Ordinance, having been previously introduced on January 12, 2015, notice of introduction having been published in the City's official journal on January 17, 2015, and a public hearing held thereon on January 26, 2015, was offered for final adoption by Mr. Stamey and seconded by Ms. Morrow:

**ORDINANCE NO 002 OF 2015
FIRST SUPPLEMENTAL BOND ORDINANCE**

A SUPPLEMENTAL BOND ORDINANCE AUTHORIZING THE ISSUANCE IN ONE OR MORE SERIES OF NOT EXCEEDING \$2,000,000 OF TAXABLE UTILITIES REVENUE BONDS, SERIES 2015, OF THE CITY OF NATCHITOCHES, STATE OF LOUISIANA, IN ACCORDANCE WITH THE TERMS OF GENERAL BOND ORDINANCE NO. 001 OF 2015; PRESCRIBING THE FORM, AND CERTAIN TERMS AND CONDITIONS OF SAID BONDS; AND PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, the City of Natchitoches, State of Louisiana (the "City") now owns and operates a combined waterworks plant and system, electric power and light plant and system and sewer utility system (the "System") as a combined revenue-producing work of public improvement; and,

WHEREAS, the City currently has outstanding the following described bonds payable from a pledge and dedication of the income and revenues of the System:

\$874,000 Utilities Revenue Bonds, Series 2009A, maturing on December 1 of the years 2015 through 2030, inclusive, bearing interest at a rate of 3.45% (inclusive of a 0.50% DHH Administrative Fee) and issued pursuant to Ordinance No. 44 of 2009 adopted by this governing authority on August 10, 2009;

\$2,613,000 Utilities Revenue Bonds, Series 2009B, maturing on December 1 of the years 2015 through 2030, inclusive, bearing interest at a rate of 3.45% (inclusive of a 0.50% DHH Administrative Fee) and issued pursuant to Ordinance No. 44 of 2009 adopted by this governing authority on August 10, 2009; and

\$1,030,000 of Utilities Revenue Refunding Bonds, Series 2013, maturing on December 1 of the years 2015 through 2022, inclusive, bearing interest at a rate of 2.15% and issued pursuant to Ordinance No. 30 of 2013 adopted by this governing authority on July 8, 2013;

the aforesaid issues being collectively referred to herein as the "Outstanding Parity Bonds"; and

* The Clerk of the Council is authorized to insert the assigned ordinance number of the General Bond Ordinance in the title of this ordinance and whenever said General Bond Ordinance is referred to herein.

WHEREAS, on this date, this Governing Authority adopted General Bond Ordinance No. 001 of 2015 entitled: "A General Bond Ordinance authorizing the issuance from time to time of Utilities Revenue Bonds of the City of Natchitoches, State of Louisiana; prescribing the form, and certain terms and conditions of said Bonds; establishing funds and accounts relating to said Bonds; providing for the payment thereof in principal and interest including a rate covenant relating thereto; and providing for other matters in connection therewith" (the "General Bond Ordinance"), which authorizes the issuance of utilities revenue bonds from time to time for the purposes described therein; and

WHEREAS, it is now the desire of this Governing Authority to authorize the issuance of not exceeding \$2,000,000 of Taxable Utilities Revenue Bonds, Series 2015 of the City (the "Bonds"), in one or more series, for paying costs of the Project as defined herein and paying costs of issuance; and

WHEREAS, in accordance with the requirements of Part XIII, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1011, *et seq.*), and a Notice of Intention issued on November 24, 2014, this governing authority held a public hearing on January 12, 2015, at which public hearing no one presented or had filed any petition or written objections pertaining to the issuance of the Bonds;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Natchitoches, State of Louisiana, acting as governing authority of the City of Natchitoches, State of Louisiana, that:

SECTION 1. Definitions. In addition to words and terms elsewhere defined in the General Bond Ordinance and this First Supplemental Bond Ordinance, the following words and terms as used in this First Supplemental Bond Ordinance shall have the following meanings, unless some other meaning is plainly intended:

"Administrative Fee" means, with respect to the Bonds and any other Bonds purchased by the Department from the State Loan Fund, the annual fee equal to one-half of one percent (0.5%) per annum of the outstanding principal amount of such bonds, or such lesser amount as the Department may approve from time to time, which shall be payable each year in two equal semi-annual installments on each Interest Payment Date.

"Bonds" means the Taxable Utilities Revenue Bonds, Series 2015 authorized to be issued pursuant to this First Supplemental Ordinance and particularly by Section 2 hereof.

"Department" means the Louisiana Department of Health and Hospitals, an executive department and agency of the State, and any successor to the duties and functions thereof with respect to the Louisiana Drinking Water Revolving Loan Fund.

"First Supplemental Ordinance" means this supplemental ordinance authorizing the issuance of the Bonds pursuant to the General Bond Ordinance.

"General Bond Ordinance" means General Bond Ordinance No. 001 of 2015, as described in the preambles hereof.

"Loan Agreement" means the Loan and Pledge Agreement to be entered into by and between the Department and the City, prior to the delivery of the Bonds, which will contain certain additional agreements relating to the Bonds and any other series of Bonds purchased by the Department, which Loan Agreement shall be in substantially the form on file with the Clerk of Council and filed with the minutes of this meeting, as it may be supplemented, modified or amended from time to time in accordance with the terms thereof.

"Paying Agent" with respect to the Bonds means the Director of Finance of the City, unless and until a successor Paying Agent shall have assumed such responsibilities pursuant to the General Bond Ordinance.

"Project" means the acquisition and construction of improvements to the drinking water portion of the System consisting of the construction of a decant clarifier, pump station with wet well, gravity and pressure mains, chemical feed equipment, electrical improvements, and other related items (including permitting), which are proposed at the City's existing water treatment facility and are necessary to properly handle, treat, and dispose of the filter backwash effluent from the water treatment facility into Chaplin's Lake within the required permit levels allowed by the US Army Corps of Engineers and the Louisiana Department of Environmental Quality, or any amendments or changes to the foregoing that may be approved by the Mayor and the Department.

"State Loan Fund" means the Drinking Water Revolving Loan Fund established by the State of Louisiana pursuant to Chapter 32 of Title 40 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 40:2821, *et seq.*) in the custody of the Department, which is to be used for the purpose of providing financial assistance for the improvement of public drinking water systems in the State, as more fully described in La. R.S. 40:2825(A)(2).

SECTION 2. Authorization of 2015 Bonds. (a) In compliance with and under the authority of the Act, there is hereby authorized the incurring of an indebtedness of not exceeding Two Million Dollars (\$2,000,000) for, on behalf of and in the name of the City, for the purpose of paying costs of the Project and paying costs of issuance, and to represent the indebtedness, this Governing Authority does hereby authorize the issuance of not exceeding Two Million Dollars (\$2,000,000) of Taxable Utilities Revenue Bonds, Series 2015, of the City. The Mayor may approve a different series designation if the Bonds are delivered after the end of 2015 or if it is in his sole judgment preferable to do so. The Bonds shall be dated the Delivery Date thereof, and the exact principal amount of the Bonds, not to exceed \$2,000,000 as stated above, shall be determined by the Mayor at the time of delivery of the Bonds.

(b) The Bonds shall be Fixed Rate Bonds and the Interest Payment Dates shall be June 1 and December 1 of each year, commencing June 1, 2015. The Bonds shall bear interest at the rate of two and ninety-five hundredths percent (2.95%) per annum, said interest to be calculated on the basis of a 360-day year consisting of twelve 30-day months and payable on each Interest Payment Date, or such lower rate as may be in effect for loans from the State Loan Fund or offered by the Department to the City at the time of delivery. In addition to interest at the rate set forth above, at any time that the Department owns the Bonds the City will pay the Administrative Fee to the Department on each Interest Payment Date. In the event (i) the Department owns any Bonds or the Department has pledged or assigned any Bonds in

connection with the State Loan Fund and (ii) the Administrative Fee payable by the City to the Department under the terms of the Loan Agreement is declared illegal or unenforceable by a court or an administrative body of competent jurisdiction, the interest rate borne by the Bonds shall be increased by one-half of one percent (0.50%) per annum, effective as of the date declared to be the date from which the Administrative Fee is no longer owed because of such illegality or unenforceability.

(c) The Bonds shall mature in twenty (20) installments of principal, payable annually on December 1 of each year principal falls due, beginning December 1, 2016 and each annual installment shall be the applicable percentage shown in the following table, rounded to the nearest \$1,000, of the outstanding principal amount of the Bonds as of the day before the Principal Payment Date:

<u>Date</u> <u>(December 1)</u>	<u>Percentage</u> <u>of Principal</u>	<u>Date</u> <u>(December 1)</u>	<u>Percentage</u> <u>of Principal</u>
2016	3.554%	2026	8.544%
2017	3.812	2027	9.664
2018	4.100	2028	11.067
2019	4.423	2029	12.874
2020	4.787	2030	15.286
2021	5.202	2031	18.667
2022	5.676	2032	23.743
2023	6.226	2033	32.209
2024	6.868	2034	49.152
2025	7.629	2035	100.000

In the event that the Completion Date of the Project being financed with the Bonds is after December 1, 2016, the principal payment schedule set forth above may be adjusted so that each payment shall be due on the December 1 that is one year later than shown above, provided that in no event shall the final principal payment be more than twenty-two (22) years from the Delivery Date of the Bonds.

(d) The principal and interest on the Bonds shall be payable by check mailed to the registered owner of the Bonds (determined as of the Interest Payment Date) at the address shown on the registration books kept by the Paying Agent for such purpose, provided that payment of the final installment of principal on the Bonds shall be made only upon presentation and surrender of the Bonds to the Paying Agent.

(e) The principal installments of the Bonds are subject to prepayment at the option of the City at any time, in whole or in part, at a prepayment price of par plus accrued interest and accrued Administrative Fee, if any, to the prepayment date and in such case the remaining principal of the Bonds shall continue to mature in installments calculated using the percentages shown in Section 2(c) above.

(f) The Bonds shall be issued in the form of a single fully registered bond, initially numbered R-1 and shall be in substantially the form attached hereto as Exhibit A.

(g) The Director of Finance of the City shall be the initial Paying Agent for the Bonds.

(h) The Bonds are awarded to and sold to the Department at a price of par plus accrued interest, if any, under the terms and conditions set forth in the Loan Agreement, and after their execution the Bonds shall be delivered to the Department or its agents or assigns, upon receipt by the City of the agreed first advance of the purchase price of the Bonds. Pursuant to R.S. 39:1426(B), the City has determined to sell the Bonds at a private sale without necessity of publication of a notice of sale. It is understood that the purchase price of the Bonds will be paid by the Department to the City in installments, in the manner and under the terms and conditions set forth in the Loan Agreement.

(i) The "Reserve Fund Requirement" for the Bonds shall mean one-half of the highest amount of principal, interest and Administrative Fee on the Bonds due in any future Bond Year (taking into consideration any principal forgiveness given by the Department), which shall be deposited by the City in an account in the Reserve Fund to be designated the "Series 2015 Account," and maintained in the Reserve Fund solely to secure the Bonds. The Series 2015 Account in the Reserve Fund shall be established on the Delivery Date and fully funded on the Delivery Date to the amount of \$49,283, being one-half of the highest principal, interest and Administrative Fee due on the Bonds in any future Bond year (taking into account anticipated principal forgiveness). No changes are made with respect to the required balance in the Contingencies Fund.

(j) No proceeds of the Bonds will be used to refund any outstanding obligations.

(k) The parity requirements of the Outstanding Parity Bond Ordinances are being complied with in connection with the issuance of the Bonds, and a parity certification in substantially the form attached hereto as Exhibit B will be delivered at the time of delivery of the Bonds.

(l) After having investigated the regularity of the proceedings had in connection with the issuance of the Bonds, this Governing Authority hereby determines that the same have been in all respects regular, therefore the Bonds shall contain the following recital, to-wit:

"It is certified that this bond is authorized by and is issued in conformity with the requirements of the Constitution and statutes of this State."

(m) The Executive Officers are each hereby empowered, authorized and directed to do any and all things necessary and incidental to carry out all of the provisions of the General Bond Ordinance and this First Supplemental Ordinance, to execute and deliver the Loan Agreement, and to cause the Bonds to be prepared and/or printed, to issue, execute and seal the Bonds and to effect delivery thereof as hereinafter provided. In connection with the issuance and sale of the Bonds, the Executive Officers and the chief financial officer of the City are each authorized, empowered and directed to execute on behalf of the City such additional documents, certificates and instruments as they may deem necessary, upon the advice of bond counsel, to effect the transactions contemplated by this Ordinance, including a Commitment Agreement. The

signatures of said officers on such documents, certificates and instruments shall be conclusive evidence of the due exercise of the authority granted hereunder.

(n) The Bonds are not being designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.

(o) The Bonds are not being designated as "Build America Bonds" or any similar type of tax-advantaged bonds requiring a designation at this time.

(p) It is recognized that the City will not be required to comply with the continuing disclosure requirements described in the Rule 15c2-12(b) of the Securities and Exchange Commission [17 CFR §240.15c2-12(b)] because the Bonds are being purchased solely by the Department.

(q) Inasmuch as the Bonds are not being issued as tax-exempt or tax-advantaged bonds, no post-issuance tax compliance procedures are needed.

(r) Application to the State Bond Commission has previously been authorized.

(s) There will be no Credit Enhancement arrangements with respect to the Bonds.

(t) The Loan Agreement, in substantially the form on file with the Clerk of the Council and filed with the minutes of this meeting, is hereby approved, and the Executive Officers are authorized to execute and deliver the aforesaid document on behalf of the City, with such changes as may be deemed necessary, upon the advice of counsel, in connection with the Bonds.

SECTION 3. Davis-Bacon Wage Rate Requirements. The City agrees that all laborers and mechanics employed by contractors and subcontractors on the portion of the Project that is funded in whole or in part with proceeds of the Bonds shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality of the City as determined by the Secretary of the United States Department of Labor ("DOL") in accordance with Subchapter IV of Chapter 31 of Title 40, United States Code, and as further described in Section 6.04 of the Loan Agreement.

SECTION 4. Use of American Iron and Steel Products. In order to comply with Title IV, Division G of the Consolidated Appropriations Act, 2014 (P.L. 113-76) the City agrees that all of the iron and steel, products used in the portion of the Project that is funded in whole or in part with the Bonds shall be produced in the United States, subject to the conditions set forth in Section 6.05 of the Loan Agreement.

SECTION 5. Parties Interested Herein. Nothing in this First Supplemental Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or corporation, other than the City, the Paying Agent and the Owners of the Bonds any right, remedy or claim under or by reason of this First Supplemental Ordinance or any covenant, condition or stipulation thereof; and all the covenants, stipulations, promises and agreements in this First Supplemental Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City, the Paying Agent and the Owners of the Bonds.

SECTION 6. No Recourse on the Bonds. No recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on this First Supplemental Ordinance against any member of the Governing Authority or officer of the City or any person executing the Bonds.

SECTION 7. Successors and Assigns. Whenever in this First Supplemental Ordinance the City is named or referred to, it shall be deemed to include its successors and assigns and all the covenants and agreements in this First Supplemental Ordinance contained by or on behalf of the City shall bind and inure to the benefit of its successors and assigns whether so expressed or not.

SECTION 8. Severability. In case any one or more of the provisions of this First Supplemental Ordinance or of the Bonds issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this First Supplemental Ordinance or of the Bonds, but this First Supplemental Ordinance and the Bonds shall be construed and enforced as if such illegal or invalid provisions had not been contained therein. Any constitutional or statutory provision enacted after the date of this First Supplemental Ordinance which validates or makes legal any provision of this First Supplemental Ordinance or the Bonds which would not otherwise be valid or legal shall be deemed to apply to this First Supplemental Ordinance and to the Bonds.

SECTION 9. Publication; Peremption. This First Supplemental Ordinance shall be published one time in the official journal of the City, or if there is none, in a newspaper having general circulation in the City. It shall not be necessary to publish the exhibits to this First Supplemental Ordinance but such exhibits shall be made available for public inspection at the offices of the Governing Authority at reasonable times and such fact must be stated in the publication within the official journal. For a period of thirty days after the date of such publication any persons in interest may contest the legality of this First Supplemental Ordinance and any provisions herein made for the security and payment of the Bonds. After such thirty day period no one shall have any cause or right of action to contest the regularity, formality, legality, or effectiveness of this First Supplemental Ordinance and the provisions hereof or of the Bonds authorized hereby for any cause whatsoever. If no suit, action, or proceeding is begun contesting the validity of the Bonds authorized pursuant to this First Supplemental Ordinance within the thirty days herein prescribed, the authority to issue the Bonds or to provide for the payment thereof, and the legality thereof, and all of the provisions of this First Supplemental Ordinance and such Bonds shall be conclusively presumed, and no court shall have authority or jurisdiction to inquire into any such matter.

SECTION 10. Effective Date. This First Supplemental Bond Ordinance shall become effective immediately upon its adoption.

THIS ORDINANCE was introduced on January 12, 2015 and published in the *Natchitoches Times* on January 17, 2015.

The above Ordinance having been duly advertised in accordance with law and public hearing had on same, was put to a vote by the Mayor and the vote was recorded as follows:

AYES:	Payne, Nielsen, Stamey, Morrow
NAYS:	None
ABSENT:	None
ABSTAIN:	None

THEREUPON, Mayor Pro Tempore, Don Mims declared the Ordinance passed by a vote of 4 Ayes to 0 Nays this 26th day of January, 2015.

/s/ Don Mims
DON MIMS, MAYOR PRO TEMPORE

Delivered to the Mayor on the 27th day of January, 2015 at 10:00 A.M.

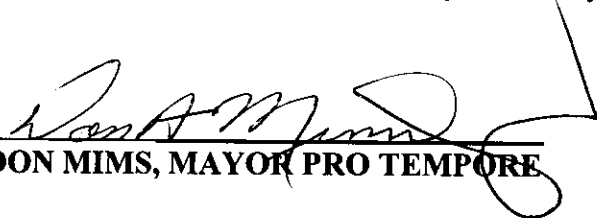
/s/ Lee Posey
LEE POSEY, MAYOR

THIS ORDINANCE was introduced on January 12, 2015 and published in the *Natchitoches Times* on January 17, 2015.

The above Ordinance having been duly advertised in accordance with law and public hearing had on same, was put to a vote by the Mayor and the vote was recorded as follows:

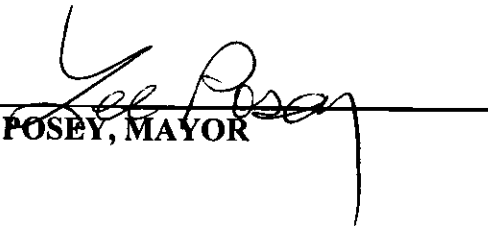
AYES:	Payne, Nielsen, Stamey, Morrow
NAYS:	None
ABSENT:	None
ABSTAIN:	None

THEREUPON, Mayor Pro Tempore, Don Mims declared the Ordinance passed by a vote of 4 Ayes to 0 Nays this 26th day of January, 2015.



DON MIMS, MAYOR PRO TEMPORE

Delivered to the Mayor on the 27th day of January, 2015 at 10:00 A.M.



LEE POSEY, MAYOR

EXHIBIT A
to First Supplemental Bond Ordinance

FORM OF BOND

INTEREST ON THIS BOND WILL BE INCLUDED IN GROSS INCOME
FOR FEDERAL INCOME TAX PURPOSES AND IS NOT
EXEMPT FROM FEDERAL INCOME TAXATION.

UNITED STATES OF AMERICA
STATE OF LOUISIANA
PARISH OF NATCHITOCHES

TAXABLE UTILITIES REVENUE BOND, SERIES 2015
OF THE
CITY OF NATCHITOCHES, STATE OF LOUISIANA

<u>Bond Number</u>	<u>Bond Date</u>	<u>Interest Rate</u>	<u>Principal Amount</u>
R-1	_____, 2015	2.95%	\$2,000,000

FOR VALUE RECEIVED, the City of Natchitoches, State of Louisiana (the "City"), hereby promises to pay (but only from the sources hereinafter described) to:

REGISTERED OWNER: Department of Health & Hospitals
 Office of Management & Finance
 ATTN: Cash Management
 P. O. Box 61979
 New Orleans, LA 70161-1979

or registered assigns noted on the registration record attached hereto, the Principal Amount set forth above (unless a lower Principal Amount applies, as set forth below), together with interest thereon from the Bond Date set forth above or the most recent interest payment date to which interest has been paid or duly provided for, unless this Bond shall have been previously called for prepayment and payment shall have been duly made or provided for.

This Bond shall bear interest, payable semi-annually on June 1 and December 1 of each year, commencing June 1, 2015 (each, an "Interest Payment Date"), at the Interest Rate shown above, said interest to be calculated on the basis of a 360-day year consisting of twelve 30-day months. Interest on this Bond on any Interest Payment Date shall be payable only on the aggregate outstanding amount of the purchase price which shall have been paid theretofore, as noted on Schedule A hereto, and shall accrue with respect to each purchase price installment only from the date of payment of such installment.

If the Department is the registered owner of this Bond, the City will additionally pay an Administrative Fee to the Department at the annual rate of one-half of one percent (0.50%) on the outstanding principal amount of the Bond, payable on each Interest Payment Date. In the event (i) the Department owns this Bond or the Department has pledged or assigned this Bond in connection with its Drinking Water Revolving Loan Fund Program and (ii) the Administrative Fee payable to the Department is declared illegal or unenforceable by a court or an administrative body of competent jurisdiction, then the "Annual Interest Rate" shown in the foregoing table and borne by this Bond shall be increased by one-half of one percent (0.5%) per annum, effective as of the date declared to be the date from which the Administrative Fee is no longer owed because of such illegality or unenforceability.

This Bond shall mature in twenty (20) installments of principal, payable annually on each December 1, and each annual installment shall be the applicable percentage shown in the following table, rounded to the nearest One Thousand Dollars (\$1,000), of the outstanding principal amount of this Bond on the day before the applicable Principal Payment Date:

<u>Date</u> <u>(December 1)</u>	<u>Percentage</u> <u>of Principal</u>	<u>Date</u> <u>(December 1)</u>	<u>Percentage</u> <u>of Principal</u>
2016	3.554%	2026	8.544%
2017	3.812	2027	9.664
2018	4.100	2028	11.067
2019	4.423	2029	12.874
2020	4.787	2030	15.286
2021	5.202	2031	18.667
2022	5.676	2032	23.743
2023	6.226	2033	32.209
2024	6.868	2034	49.152
2025	7.629	2035	100.000

In the event that the Completion Date of the Project being financed with this Bond is after December 1, 2016, the principal payment schedule set forth above may be adjusted so that each payment shall be due on the December 1 that is one year later than shown above, provided that in no event shall the final principal payment be more than twenty-two (22) years from the Bond Date set forth above.

The principal and interest on this Bond shall be payable by check mailed to the registered owner of this Bond (determined as of the Interest Payment Date) at the address shown on the registration books kept by the Paying Agent (hereinafter defined) for such purpose, provided that payment of the final installment of principal on this Bond shall be made only upon presentation and surrender of this Bond to the Paying Agent.

The principal installments of this Bond are subject to prepayment at the option of the City at any time, in whole or in part, at a prepayment price of par plus accrued interest and accrued Administrative Fee, if any, to the prepayment date. In such case, the remaining principal shall continue to mature in annual installments calculated using the percentages shown above.

In the event a portion of this Bond is to be prepaid, this Bond shall be surrendered to the Director of Finance of the City, as initial Paying Agent for the Bonds (the "Paying Agent"), who shall note the amount of such prepayment in the space provided therefor on the schedule attached to this Bond. Official notice of such call of this Bond for prepayment shall be given by means of first class mail, postage prepaid by notice deposited in the United States Mail not less than thirty (30) days prior to the prepayment date addressed to the registered owner of this Bond to be prepaid at his address as shown on the registration books of the Paying Agent, which notice may be waived by any registered owner. The City shall cause to be kept at the office of the Paying Agent a register in which registration of this Bond and of transfer of this Bond shall be made as provided herein and in the Bond Ordinance (hereinafter defined). This Bond may be transferred, registered and assigned only on such registration records of the Paying Agent, and such registration shall be at the expense of the City.

This Bond represents the entire issue of bonds of the City designated "Taxable Utilities Revenue Bond, Series 2015" aggregating in principal the sum of Two Million Dollars (\$2,000,000) (the "Bonds"), having been issued by the City pursuant General Bond Ordinance No. 001 of 2015 and First Supplemental Bond Ordinance No. 002 of 2015, both adopted by its governing authority on _____, 2015 (collectively, the "Bond Ordinance"), for the purpose of financing the acquisition and construction of additions, extensions and improvements to the drinking water portion of the City's combined waterworks plant and system, electric power and light plant and system and sewer utility system (the "System"), and for paying costs of issuance, under the authority conferred by Chapter XIII, Part 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1011, *et seq.*), and other constitutional and statutory authority supplemental thereto, pursuant to all requirements therein specified.

This Bond, equally with the City's outstanding Utilities Revenue Bonds, Series 2009A, Utilities Revenue Bonds, Series 2009B, and Utilities Revenue Refunding Bonds, Series 2013 (collectively, the "Outstanding Parity Bonds"), is secured by and payable as to principal and interest solely from the income and revenues derived or to be derived from the operation of the System, after provision has been made for payment therefrom of the reasonable and necessary expenses of operating and maintaining the System. Neither this Bond nor the debt it represents constitutes an indebtedness or pledge of the general credit of the City, within the meaning of any constitutional or statutory limitation of indebtedness.

The City has obligated itself pursuant to the ordinances adopted in connection with the issuance of the Outstanding Parity Bonds (the "Outstanding Parity Bond Ordinances") and the Bond Ordinance and by this Bond declares that all of the income and revenues to be derived from the operation of the System shall be deposited promptly as the same may be collected in a separate and special bank account known and designated as the "Utility System Fund." For a complete statement of the manner in which said fund shall be maintained and administered, the provisions for payment of the Outstanding Parity Bonds and this Bond and the general covenants and provisions pursuant governing the issuance of the Outstanding Parity Bonds and this Bond, reference is hereby made to the Outstanding Parity Bond Ordinances and the Bond Ordinance. The City has duly covenanted and obligated itself pursuant to the Outstanding Parity Bond Ordinances and the Bond Ordinance and by this Bond declares that it will fix and maintain rates and collect charges for all services and facilities to be rendered by the System sufficient to provide for the payment of the reasonable and necessary expenses of operating and maintaining the System, to provide for the payment of principal and interest falling due on the Outstanding Parity Bonds and this Bond and all other obligations or indebtedness payable out of the revenues of the System, to provide a reserve for the payment of principal and interest on the Outstanding Parity Bonds and this Bond and to provide a reasonable depreciation and contingency fund to care for depreciation, extensions, additions, improvements and replacements necessary to properly operate the System.

For a more complete statement of the revenues from which and conditions under which this Bond is payable, and the general covenants and provisions pursuant to which this Bond is issued, and the conditions under which additional bonds may be issued on a parity with this Bond and the Outstanding Parity Bonds, reference is hereby made to the Bond Ordinance.

It is certified that this Bond is authorized by and is issued in conformity with the requirements of the Constitution and statutes of the State of Louisiana. It is further certified, recited and declared that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Bond necessary to constitute the same a legal, binding and valid obligation of the City have existed, have happened and have been performed in due time, form and manner as required by law, and that the indebtedness of the City, including this Bond, does not exceed any limitation prescribed by the Constitution and statutes of the State of Louisiana, and that this Bond shall not be invalid for any irregularity or defect in the proceedings for the issuance and sale thereof.

IN WITNESS WHEREOF, the City Council of the City of Natchitoches, State of Louisiana, acting as the governing authority of the City, has caused this Bond to be signed by the Mayor and attested by its Clerk of the Council, the corporate seal of the City to be hereon impressed and this Bond to be dated as of the Dated Date set forth above.

CITY OF NATCHITOCHES, STATE OF LOUISIANA

ATTEST: By: _____ (manual) _____
Mayor

By: _____ (manual) _____ (SEAL)
Clerk of the Council

* * * * *

REGISTRATION RECORD		
TAXABLE UTILITIES REVENUE BOND, SERIES 2015 OF THE CITY OF NATCHITOCHES, STATE OF LOUISIANA		
Name and Address Of Registered Owner	Date of Registration	Signature of Director of Finance, As Paying Agent
Department of Health & Hospitals Office of Management & Finance ATTN: Cash Management P. O. Box 61979 New Orleans, LA 70161-1979		

SCHEDULE OF PREPAYMENTS
TAXABLE UTILITIES REVENUE BOND, SERIES 2015
OF THE
CITY OF NATCHITOCHES, STATE OF LOUISIANA

Prepayment Date	Prepayment Amount	Remaining Balance Due

SCHEDULE A
SCHEDULE OF PRINCIPAL DRAWS AND PRINCIPAL BALANCE
TAXABLE UTILITIES REVENUE BOND, SERIES 2015
OF THE
CITY OF NATCHITOCHES, STATE OF LOUISIANA

Date: _____ Draw Number: _____
Principal Draw Paid to City this Date: \$ _____
Amount of Principal Forgiveness this Date: \$ _____
Cumulative Amount of Principal Draws Paid to Date: \$ _____
Cumulative Amount of Principal Forgiveness to Date: \$ _____
Outstanding Balance of Principal \$ _____
Signature of Authorized Officer of Department: _____

Date: _____ Draw Number: _____
Principal Draw Paid to City this Date: \$ _____
Amount of Principal Forgiveness this Date: \$ _____
Cumulative Amount of Principal Draws Paid to Date: \$ _____
Cumulative Amount of Principal Forgiveness to Date: \$ _____
Outstanding Balance of Principal \$ _____
Signature of Authorized Officer of Department: _____

Date: _____ Draw Number: _____
Principal Draw Paid to City this Date: \$ _____
Amount of Principal Forgiveness this Date: \$ _____
Cumulative Amount of Principal Draws Paid to Date: \$ _____
Cumulative Amount of Principal Forgiveness to Date: \$ _____
Outstanding Balance of Principal \$ _____
Signature of Authorized Officer of Department: _____

[ADDITIONAL DRAWDOWN PAGES TO BE ADDED AS NECESSARY]

EXHIBIT B
to First Supplemental Bond Ordinance

FORM PARITY CERTIFICATION

\$2,000,000
TAXABLE UTILITIES REVENUE BOND, SERIES 2015
OF THE
CITY OF NATCHITOCHES, STATE OF LOUISIANA

Pursuant to (i) Section 5.01 of Ordinance No. 44 of 2009 and (ii) Section 703 of Ordinance No. 30 of 2013, both previously adopted by the City Council of the City of Natchitoches, State of Louisiana (the "City"), the undersigned independent certified public accountant and Director of Finance of the City do hereby certify as follows in connection with the issuance and delivery of the above-captioned issue (the "Bonds"):

1. Capitalized terms used in this certification shall have the meanings assigned thereto in the aforesaid Ordinance No. 44 of 2009 and Ordinance No. 30 of 2013, which authorize the issuance of the City's outstanding Utilities Revenue Bonds, Series 2009A, Utilities Revenue Bonds, Series 2009B, and Utilities Revenue Refunding Bonds, Series 2013 (the "Outstanding Parity Bonds").

2. The undersigned independent certified public accountant or firm of certified public accountants has reviewed the financial statements of the City for the fiscal year ended May 31, 2014.

3. The average Net Revenues of the System for the three completed Fiscal Years immediately preceding the year in which the Bonds are to be issued (i.e. the fiscal years ending May 31, 2012, 2013 and 2014) are equal to at least 1.3 times the highest combined principal and interest requirements for any succeeding Fiscal year period on the Outstanding Parity Bonds and the proposed Bonds, as demonstrated by the following calculation made by the undersigned certified public accountants.

Net Revenues for FY2012	\$ _____
Net Revenues for FY2013	\$ _____
Net Revenues for FY2014	\$ _____
Average Net Revenues	\$ _____
Highest estimated combined FY debt service requirement on the Outstanding Parity Bonds and the Bonds(in FY ending May 31, 2017)*	\$578,514.50
Coverage Ratio	_____

* Assuming for purposes of this calculation that the City draws down the full \$2,000,000 of principal of the Bonds, and that the Bonds receive 30% principal forgiveness from the Drinking Water State Revolving Fund.

4. There are no delinquencies in the payments required to be made into the various funds provided for in the ordinances authorizing the Outstanding Parity Bonds.

5. As of this date, there is sufficient money in the Reserve Fund (\$_____) to pay all principal and interest on the Outstanding Parity Bonds becoming due during the twelve (12) months period next succeeding the issuance of the Bonds (i.e. the sum of \$485,006.50).

IN FAITH WHEREOF, witness our official signatures as of this, the _____ day of _____, 2015

CITY OF NATCHITOCHES,
STATE OF LOUISIANA

By: _____ (manual) _____
Director of Finance

NAME OF CPA/FIRM:

By: _____ (manual) _____
Certified Public Accountant

STATE OF LOUISIANA

CITY OF NATCHITOCHES

I, the undersigned Clerk of the Natchitoches City Council do hereby certify that the foregoing Ordinance (8) pages constitute a true and correct copy of a First Supplemental Bond Ordinance adopted by said City Council on January 26, 2015, authorizing the issuance in one or more series of not exceeding \$2,000,000 of Taxable Utilities Revenue Bonds, Series 2015, of the City of Natchitoches, State of Louisiana, in accordance with the terms of a General Bond Ordinance; prescribing the form, and certain terms and conditions of said Bonds; and providing for other matters in connection therewith.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of said City on this, the 27 day of January, 2015.

(SEAL)


Clerk of the Council

The following Ordinance was Introduced by Mr. Payne and Seconded by Mr. Stamey as follows, to-wit:

ORDINANCE NUMBER 003 OF 2015

AN ORDINANCE TO AMEND CHAPTER 26 OF THE CODE OF ORDINANCES, ENTITLED POLICE, IN ORDER TO ADOPT ARTICLE I WHICH WILL PROVIDE FOR THE IMPLEMENTATION OF A PROGRAM TO ALLOW A POLICE OFFICER TO ACQUIRE HIS SERVICE FIREARM UPON RETIREMENT, SPECIFICALLY ADOPTING SECTIONS 26-1 THROUGH 26-3, PROVIDING FOR ADVERTISING, FURTHER PROVIDING FOR SEVERABILITY, AND FURTHER PROVIDING FOR A REPEALER AND EFFECTIVE DATE OF ORDINANCE.

WHEREAS, the State of Louisiana has recently amended Louisiana Revised Statute 33:4712 (G) which provides as follows, to-wit:

“Notwithstanding any provisions of this Section to the contrary, a municipal police officer who retires with at least twenty years of active service and who is in good standing with the Municipal Police Employees’ Retirement System shall be entitled to purchase his firearm at fair market value upon retirement, subject to approval by the chief of police and the local governing authority.”

WHEREAS FURTHER, the Chief of Police has recommended to the City Council that a procedure be implemented to allow retiring police officers to purchase their service weapon in accordance with Louisiana Revised Statute 33:4712(G); and

WHEREAS FURTHER, the City Council of the City of Natchitoches accepts the recommendation of the Chief of Police and desires to amend Chapter 26 of the Code of Ordinances of the City of Natchitoches, entitled “Police” to include provisions that will provide for a retiring police officer in good standing with the Municipal Police Employees’ Retirement System to purchase his service weapon or firearm for fair market value; and

WHEREAS FURTHER, the City Council of the City of Natchitoches has reviewed the proposed amendment to Chapter 26 and agrees that the adoption is advisable and in the best interest of the City of Natchitoches and its citizens; and

WHEREAS FURTHER, the City Council of the City of Natchitoches, Louisiana, desires to amend and reenact Chapter 26 of the Code of Ordinances of the City of Natchitoches, Louisiana, to add Article I which will provide for a retiring police officer in good standing with the Municipal Police Employees' Retirement System to purchase his service weapon or firearm for fair market value; and

NOW THEREFORE BE IT ORDAINED by the City Council of the City of Natchitoches, Louisiana, as follows:

SECTION 1. Chapter 26 of the Code of Article, entitled "Police" is hereby amended to add Article I, which shall read as follows:

"Article I. Purchase of firearm by retiring police officer.

Section 26-1. Purpose.

The purpose of this article is provide for guidelines and a procedure whereby a police officer retiring from the City of Natchitoches Police Department may acquire ownership of his service weapon in accordance with Louisiana R. S. 33:4712(G).

Section 26-2. Requirements for purchase of firearm.

In order to be qualified to purchase his or her service weapon, a police officer must:

- (1) Retire from the City of Natchitoches Police Department after Twenty-Five (25) years active service with the Department; and
- (2) Be in good standing with the Municipal Police Employees' Retirement System, or its successor.

Section 26-3. Procedure.

A retiring police officer meeting the requirements of Section 26-2, may purchase his service weapon from the City of Natchitoches for a price determined to be the fair market value by a gun appraiser that is approved by the Chief of Police.

Upon payment of the fair market value, the Chief of Police, or his designee, shall complete any documentation or paperwork that may be required to complete the transfer of ownership of the firearm to the retiring police officer."

SECTION 2. All Ordinances or parts of Ordinances in conflict herewith are hereby repealed.

SECTION 3. If any portion of this Ordinance is declared to be invalid or unconstitutional in any manner, the invalidity shall be limited to that particular section or provision, and

shall not affect the remaining portions of the ordinance, which shall remain valid and enforceable, it being the intention of the City Council that each separate provision shall be deemed independent of all other provisions herein.

SECTION 4. This Ordinance shall go into effect upon publication and in accordance with law.

THIS ORDINANCE was introduced on January 12, 2015 and published in the *Natchitoches Times* on January 17, 2015.

THIS ORDINANCE was introduced on August 25, 2014 and published in the *Natchitoches Times* on August 30, 2014.

The above Ordinance having been duly advertised in accordance with law and public hearing had on same, was put to a vote by the Mayor and the vote was recorded as follows:

AYES:	Payne, Nielsen, Stamey, Morrow
NAYS:	None
ABSENT:	None
ABSTAIN:	None

THEREUPON, Mayor Pro Tempore Don Mims declared the Ordinance passed by a vote of 4 Ayes to 0 Nays this 26th day of January, 2015.


DON MIMS, MAYOR PRO TEMPORE

Delivered to the Mayor Pro Tempore on the 27th day of January, 2015 at 10:00 A.M.

The following Ordinance was introduced by Mr. Nielson at the Natchitoches City Council Meeting held on January 26, 2015 as follows:

ORDINANCE NO. 004 OF 2015

AN ORDINANCE AMENDING THE 2014-2015 BUDGET TO REFLECT ADDITIONAL REVENUES AND EXPENDITURES

WHEREAS, Louisiana Statute (R.S. 39: 1310-1311) requires that the City amend its operating budgets when fund balance is being budgeted, and there is a 5% unfavorable variance in revenues or expenditures.

NOW, THEREFORE BE IT RESOLVED, that the budget be amended to reflect these additional revenues and expenditures as follows:

	2014-15 Original Budget	Increase/ Decrease	2014-15 Amended Budget
<u>Fund 027: Prisoner Bond Release</u>			
027-0000-446-02-00 Bond Fee	14,000	6,000	20,000
027-0000-481-00-00 Miscellaneous Income	-	1,000	1,000
027-0000-591-40-02 Travel/Per Diem/Hotel	7,000	7,000	14,000
<u>Fund 054: Cane River Green Market</u>			
054-0000-431-14-00 Market Umbrella	-	1,200	1,200
054-0000-431-15-00 Market Match	-	1,000	1,000
054-0000-481-23-00 Token Sales	1,500	1,500	3,000
054-0000-591-35-35 Advertising	3,000	2,500	5,500
054-0000-591-10-09 Part Time	1,260	1,200	2,460
<u>Fund 056: Main Street Promotions</u>			
056-0000-432-09-00 State Grant	-	39,066	39,066
056-0000-591-40-14 Grants Match	-	36,500	36,500
<u>Fund 091: Economic Development Districts</u>			
091-0000-591-90-51 Improvements Buildings & Grounds	-	150,000	150,000
<u>Fund 122: LCDBG</u>			
122-0000-591-20-03 Engineering Services	-	38,500	38,500
122-0000-591-20-04 Consultants	-	75,000	75,000
<u>Fund 140: Airport Maintenance Projects</u>			
140-0000-432-04-00 State Grant	-	500,000	500,000
140-0000-591-26-03 Repairs/Buildings and Grounds	-	500,000	500,000
<u>Fund 144 - LED Site Development</u>			
144-0000-431-09-00 Local Grant	-	20,000	20,000
144-0000-491-71-00 Transfer from Capital Improvements	-	20,000	20,000
144-0000-591-20-04 Consultants	-	40,000	40,000

Ms. Morrow asked who the consultants were for the LCDBG grant and if this was for the streets. Mr. Jones, Finance Director, stated Cothren, Graf, and Smoak Engineering along with Gary Fontana with the LCDBG would be considered the consultants in this case.

The following Ordinance was introduced by Ms. Morrow at the Natchitoches City Council meeting held on January 26th, 2015 as follows:

ORDINANCE NO. 005 OF 2015

AN ORDINANCE, UPON THE RECOMMENDATIONS OF THE PURCHASING DEPARTMENT, THAT THE CITY OF NATCHITOCHES ENTER INTO A LEASE OF A 25 ACRE TRACT IN THE INDUSTRIAL PARK FOR HAY OPERATIONS WITH JAMES RUSSELL STACY, AND AUTHORIZING THE MAYOR, LEE POSEY, TO EXECUTE SAID LEASE ON BEHALF OF THE CITY OF NATCHITOCHES, AND TO PROVIDE FOR ADVERTISING.

WHEREAS in response to a request for proposals issued with regard to a hayfield lease of a twenty-five acre tract at the Natchitoches Industrial Park, the City of Natchitoches received one proposal; and

WHEREAS FURTHER, the Purchasing Department has reviewed the response and has determined that the best price to the City, based price per volume of hay is contained in the proposal submitted by James R. Stacy; and

WHEREAS FURTHER, the Purchasing Department has recommended to the City Council of the City of Natchitoches that James R. Stacy be awarded the lease based upon his response, and that the attached lease agreement be approved; and

WHEREAS FURTHER, a lease has been prepared setting forth the term, conditions, and consideration for the proposed hay field lease;

WHEREAS FURTHER, under the provisions of Louisiana R. S. 33:4712, any property owned by the City can be leased to any person after due advertisement and compliance with the law;

WHEREAS FURTHER, the City Council is of the opinion that the hay field rights are not needed by the City for any public purpose, but are a potential source of revenue if leased;

NOW THEREFORE BE IT ORDAINED by the City Council of the City of Natchitoches, in legal session convened, that the recommendations of the Purchasing Department are hereby approved; and

BE IT FURTHER ORDAINED that Lee Posey, Mayor of the City of Natchitoches, be and he is hereby authorized and empowered to enter into a lease agreement with James R. Stacy,

for hay field operations, all in substantial compliance with the lease agreement, a copy of which is attached hereto and approved by the Director of Purchasing.

BE IT FURTHER ORDAINED That notice of this proposed ordinance be published three (3) times in fifteen (15) days, one (1) week apart, in the Natchitoches Times, the legal journal for the City, and that ordinance be posted in the City Hall.

BE IT FURTHER ORDAINED that any opposition to this ordinance shall be made in writing, filed with the Clerk for the City of Natchitoches within fifteen (15) days after the first publication of this ordinance, and that a public hearing be held after the advertisements have been completed.

BE IT FURTHER ORDAINED that the City Clerk be authorized to advertise this proposed lease in accordance with law, i.e., three times in fifteen days, one week apart and to report to the City Council if any opposition is made in writing prior to the time of final adoption.

BE IT FURTHER ORDAINED that the City takes cognizance of the fact that the rights to the property described above is not needed for public purposes by the City.

STATE OF LOUISIANA

PARISH OF NATCHITOCHES

LEASE OF HAYFIELD

BE IT KNOW AND REMEMBERED that on the days indicated hereinafter, before the undersigned Notaries Public and subscribing witnesses, personally came and appeared:

City of Natchitoches, Louisiana, a municipal corporation, domiciled in the City and Parish of Natchitoches, Louisiana, with mailing address of Post Office Box 37, Natchitoches, Louisiana, 71458-0037, represented herein by Lee Posey, Mayor, pursuant to the authority set provided for under Ordinance Number _____ of 20____ (sometimes hereinafter referred to as "Lessor" or "City");

AND

James Russell Stacy, a resident of Natchitoches Parish, with mailing address of 2738 Highway 494, Natchitoches, Louisiana 71457 (sometimes hereinafter referred to as "Lessee" or "Stacy")

WITNESSETH:

1. DESCRIPTION OF PROPERTY

LESSOR hereby leases and lets unto LESSEE, under the terms and conditions hereinafter set forth, the property which is described as follows, to-wit:

A parcel of land located in the Natchitoches Industrial Park as shown on a plat of survey by Meyer, Meyer, LeCroix and Hixson and more particularly described s 25.0 acres, more or less, lying North of Industrial Drive, East of property of Atmos Energy, West of the UP Railroad and South of Town South Subdivision, the tract being more fully shown and highlighted on the attached Map.

2. TERM

The term of this lease shall commence on February 9, 2015, and terminate at midnight on December 31, 2016.

3. RENTAL

The rental for the leased premises shall be based on the number of hay bales produced on the leased premises under the following schedule:

\$6.50 per 5' X 5' bale.

The above amounts are to be paid per round hay bale produced. For the purposes of the lease, a round hay bale will be defined as a 5' X 5', bale. Payments will be made to the City of Natchitoches no later than 30 days after each cutting.

4. USE OF PREMISES

LESSOR and LESSEE agree as follows, to-wit:

a) During the term of the lease, the LESSEE will occupy and use the premises for cultivation of hay crops only, and he will not use the premises, or permit the premises to be used for any other purpose whatsoever.

b) LESSEE will not sub-lease, assign or relinquish the said premises without the written consent of the LESSOR.

c) That the cultivation of the hay crops and the maintenance of the pasture will be done in a good and husband-like manner and the LESSEE will faithfully and carefully guard and protect the said premises. LESSEE agrees that he will cut and keep and trim the leased premises during the lease.

d) LESSEE agrees that he will keep any improvements in as good repair as same now are or may at any time be placed in by the LESSOR.

e) LESSEE will, at all times, allow the LESSOR, its agent or its assignees, to have free access to the premises for the purpose of observing the pasture and hay field operations and the conduct of the LESSEE in caring for the hay crop and pasture improvements thereon.

f) LESSOR reserved the right to cancel this lease, at any time, if the property is needed for any public purpose or reason. In such event, LESSEE agrees to give possession of the said premises, subject to a prorata payment to LESSEE for any hay crop on the property.

g) Hay may be stored along the perimeter of the property in a manner that will not cause any interference with any City or City approved operations. All hay bales must be removed from the Airport grounds no later than December 31 of the year that the hay is baled, and any hay bales left on the property beyond the 31st of December will become property of the City of Natchitoches, and the City shall have the right to sale, use or dispose of said bales.

h) LESSEE shall not use the property in any manner or for any purpose that violates any rule or regulation as promulgated by the EPA or the DEQ.

5. WARRANTY

LESSOR warrants that it has the right to lease the property covered by this agreement and will defend LESSEE's possession against any and all person whomsoever.

6. INDEMNITY and INSURANCE

LESSEE shall occupy the leased premises at his own risk and shall indemnify LESSOR against any expense, loss, cost, damage, claim, action or liability paid, suffered or incurred as a result of any breach by LESSEE, his agents, servants, employees, customers, visitors or licensees or any

covenant or condition of this lease, or as a result of LESSEE's use or occupancy of the leased premises or the carelessness, negligence or improper conduct of LESSEE, his agents, servants, employees, customers, visitors or licensees. The LESSEE's liability under the lease extends to the acts of omission of any agent, servants, employee, customer, visitor or licensee of any such person. LESSEE declares this intention to assume all liability permissible under Louisiana R.S. 9:3221.

LESSEE must maintain a general liability insurance policy with minimum coverage of \$1,000,000.00, with the City of Natchitoches shown as an additional insured and LESSEE must provide proof of such insurance on an annual basis, or upon request of the City.

7. MINERALS

Anything herein to the contrary notwithstanding, it is specifically understood and agreed that LESSOR, its assigns, employees and minerals lessees, or its agents, employees, successors, or assigns, shall have full and complete right to conduct any and all geophysical or exploratory operations on said land, and to seek, search for, conduct operations for the drilling, or to assist in the location of oil, gas and other minerals on the said property and to produce, extract same, store and remove by pipe or any form of conveyance, any oil, gas and minerals produced thereon, and generally to do all things necessary and proper, in connection with the exploration or production of such oil, gas and other minerals. If such operations are conducted by any mineral lessee, its agents, employees, successors or assigns, LESSEE hereunder agrees to look to said mineral lease, etc. for recovery for any damages that may be caused by such operations.

8. OVERFLOW

The LESSOR shall not be responsible for flood or overflow.

9. TAXES

The LESSOR agrees to pay all property and ad valorem taxes during the term of the lease, if any.

10. DEFAULT

Should the LESSEE, at any time, violate any of the conditions of this lease, or discontinue use of the premises for the purpose for which they are rented, or fail to pay the rent timely, punctually at maturity, as stipulated, LESSOR shall have the option to immediately cancel this lease and to proceed for past due payments, reserving a right of proceed later for the remaining installments, all without putting LESSEE in default. LESSEE to remain responsible for all damages or losses suffered by LESSOR. LESSEE hereby assenting thereto and expressly waiving the legal

notice to vacate the premises. In the event that it is necessary to employ an attorney for collection of past due rent, or to sue for the termination and cancellation of this lease, then, in that event, the parties hereby agree and stipulate that the LESSEE shall be responsible for the payment of reasonable attorney's fees in connection therewith, which shall not exceed ten (10) percent of the amount sued for, plus all costs of the suit.

11. SUCCESSION

This lease shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns.

12. CONDITION ON SURRENDER

LESSEE agrees that it will peacefully surrender the leased premises at the end of the term hereby granted in the same good order as the premises are at the commencement thereof.

THUS DONE AND PASSED before me, the undersigned Notary Public and subscribing witnesses on this the _____ day of _____, 2015, at Natchitoches, Louisiana.

WITNESSES:

CITY OF NATCHITOCHES, LOUISIANA

By: Mayor Lee Posey

NOTARY PUBLIC

THUS DONE AND PASSED before me, the undersigned Notary Public and subscribing witnesses on this the _____ day of _____, 2015, at Natchitoches, Louisiana.

WITNESSES:

James Russell Stacy

NOTARY PUBLIC

The following Ordinance was introduced by _____ and
seconded by _____, to-wit:

ORDINANCE NO. _____ OF 2015

AN ORDINANCE, UPON THE RECOMMENDATIONS OF THE PURCHASING DEPARTMENT, THAT THE CITY OF NATCHITOCHES ENTER INTO A LEASE OF A 25 ACRE TRACT IN THE INDUSTRIAL PARK FOR HAY OPERATIONS WITH JAMES R. STACY, AND AUTHORIZING THE MAYOR, LEE POSEY, TO EXECUTE SAID LEASE ON BEHALF OF THE CITY OF NATCHITOCHES, AND TO PROVIDE FOR ADVERTISING.

WHEREAS in response to a request for proposals issued with regard to a hayfield lease of a twenty-five acre tract at the Natchitoches Industrial Park, the City of Natchitoches received one proposal; and

WHEREAS FURTHER, the Purchasing Department has reviewed the response and has determined that the best price to the City, based price per volume of hay is contained in the proposal submitted by James R. Stacy; and

WHEREAS FURTHER, the Purchasing Department has recommended to the City Council of the City of Natchitoches that James R. Stacy be awarded the lease based upon his response, and that the attached lease agreement be approved; and

WHEREAS FURTHER, a lease has been prepared setting forth the term, conditions, and consideration for the proposed hay field lease;

WHEREAS FURTHER, under the provisions of Louisiana R. S. 33:4712, any property owned by the City can be leased to any person after due advertisement and compliance with the law;

WHEREAS FURTHER, the City Council is of the opinion that the hay field rights are not needed by the City for any public purpose, but are a potential source of revenue if leased;

NOW THEREFORE BE IT ORDAINED by the City Council of the City of Natchitoches, in legal session convened, that the recommendations of the Purchasing Department are hereby approved; and

BE IT FURTHER ORDAINED that Lee Posey, Mayor of the City of Natchitoches, be and he is hereby authorized and empowered to enter into a lease agreement with James R. Stacy, for hay field operations, all in substantial compliance with the lease agreement, a copy of which is attached hereto and approved by the Director of Purchasing.

BE IT FURTHER ORDAINED That notice of this proposed ordinance be published three (3) times in fifteen (15) days, one (1) week apart, in the Natchitoches Times, the legal journal for the City, and that ordinance be posted in the City Hall.

BE IT FURTHER ORDAINED that any opposition to this ordinance shall be made in writing, filed with the Clerk for the City of Natchitoches within fifteen (15) days after the first publication of this ordinance, and that a public hearing be held after the advertisements have been completed.

BE IT FURTHER ORDAINED that the City Clerk be authorized to advertise this proposed lease in accordance with law, i.e., three times in fifteen days, one week apart and to report to the City Council if any opposition is made in writing prior to the time of final adoption.

BE IT FURTHER ORDAINED that the City takes cognizance of the fact that the rights to the property described above is not needed for public purposes by the City.

Said Ordinance having been introduced on the ____ day of _____, 2015, notice of public hearing having been held, the title having been read and the Ordinance considered, on motion by _____, and seconded by _____, to adopt the ordinance, a record vote was taken and the following result was had:

YEAS:

NAYS:

ABSENT:

Whereupon, the presiding officer declared the above Ordinance duly _____ on the ____ day of _____, 2015.

The following Ordinance was introduced by Mr. Stamey at the Natchitoches City Council meeting held on January 26th, 2015 as follows:

ORDINANCE NO. 006 OF 2015

AN ORDINANCE, UPON THE RECOMMENDATIONS OF THE PURCHASING DEPARTMENT AND THE AIRPORT COMMISSION, THAT THE CITY COUNCIL OF THE CITY OF NATCHITOCHES AUTHORIZE A LEASE OF THAT AREA UNDER FENCE AT THE NATCHITOCHES REGIONAL AIRPORT FOR HAY OPERATIONS WITH JAMES RUSSELL STACY, AND AUTHORIZING THE MAYOR, LEE POSEY, TO EXECUTE SAID LEASE ON BEHALF OF THE CITY OF NATCHITOCHES, AND TO PROVIDE FOR ADVERTISING.

WHEREAS in response to a request for proposals issued with regard to a hayfield lease at the Natchitoches Regional Airport, the City of Natchitoches received a certain proposal; and

WHEREAS FURTHER, the Purchasing Department reviewed the response and determined that the best price to the City was contained in the proposal submitted by James Russell Stacy, and the Purchasing Department recommends to the City Council that the lease be awarded to Mr. Stacy; and

WHEREAS FURTHER, Mr. Stacy has conducted hay field operations for the City of Natchitoches in the past and Mr. Stacy has satisfactorily fulfilled his obligations under leases in the past; and

WHEREAS FURTHER, the Purchasing Department has recommended to the City Council of the City of Natchitoches that James Russell Stacy be awarded the lease based upon his response, and that the attached lease agreement be approved; and

WHEREAS FURTHER, a lease has been prepared setting forth the term, conditions, and consideration for the proposed hay field lease;

WHEREAS FURTHER, under the provisions of Louisiana R. S. 33:4712, any property owned by the City can be leased to any person after due advertisement and compliance with the law;

WHEREAS FURTHER, the City Council is of the opinion that the hay field rights are not needed by the City for any public purpose, but are a potential source of revenue if leased;

NOW THEREFORE BE IT ORDAINED by the City Council of the City of

Natchitoches, in legal session convened, that the recommendations of the Purchasing Department are hereby approved; and

BE IT FURTHER ORDAINED that Lee Posey, Mayor of the City of Natchitoches, be and he is hereby authorized and empowered to enter into a lease agreement with James Russell Stacy, for hay field operations, all in substantial compliance with the lease agreement, a copy of which is attached hereto and approved by the Director of Purchasing.

BE IT FURTHER ORDAINED that notice of this proposed ordinance be published three (3) times in fifteen (15) days, one (1) week apart, in the Natchitoches Times, the legal journal for the City, and that ordinance be posted in the City Hall.

BE IT FURTHER ORDAINED that any opposition to this ordinance shall be made in writing, filed with the Clerk for the City of Natchitoches within fifteen (15) days after the first publication of this ordinance, and that a public hearing be held after the advertisements have been completed.

BE IT FURTHER ORDAINED that the City Clerk be authorized to advertise this proposed lease in accordance with law, i.e., three times in fifteen days, one week apart and to report to the City Council if any opposition is made in writing prior to the time of final adoption.

BE IT FURTHER ORDAINED that the City takes cognizance of the fact that the rights to the property described above is not needed for public purposes by the City.

STATE OF LOUISIANA

PARISH OF NATCHITOCHES

AIRPORT HAY LEASE

BE IT KNOWN that on the dates and at the places hereinafter indicated, before me the undersigned Notary Public and subscribing witnesses personally came and appeared:

THE CITY OF NATCHITOCHES, a Louisiana municipal corporation organized and operating under a Home Rule Charter, represented herein by Lee Posey, Mayor, duly authorized to sign act herein by Ordinance No. _____ of 20____, a copy of which is attached hereto and made a part hereof (hereinafter called "**CITY**" or "**LESSOR**";

and

James Russell Stacy, a resident of Natchitoches Parish, with mailing address of 2738 Highway 494, Natchitoches, Louisiana 71457 (sometimes hereinafter referred to as "**LESSEE**" or "**STACY**")

All of whom declared as follows, to-wit:

The **LESSOR** does hereby lease and let unto the **LESSEE** and the **LESSEE** does hereby lease from the **LESSOR**, for hayfield operations only, the property inside the security fence at Natchitoches Regional Airport.

TERM

The term of this lease shall be from February 9, 2015, through December 31, 2016.

RENTAL

The rental for the leased premises shall be based on the number of hay bales produced on the leased premises under the following schedule:

\$6.50 per 5' X 5', round bale.

The above amounts are to be paid per round hay bale produced. For the purposes of the lease, a round hay bale will be defined as a 5' X 5' bale. Payments will be made to the City of Natchitoches no later than 30 days after each cutting.

USE OF PREMISES

LESSOR and **LESSEE** agree that the **LESSEE** shall have the right to use and occupy the premises for hay rights only and the **LESSEE** is to use the premises for no other agricultural purpose or any other purpose, whatsoever.

It is understood and agreed that the LESSEE will use the premises for hay purposes and will utilize the land in an husbandman like manner and will not violate any laws or regulation regarding the handling, storage, or disposal of hazardous waste or materials and will be solely responsible for any violations of State or Federal law regarding same if LESSEE has caused the circumstances leading to the said violations. LESSEE agrees to indemnify and hold the LESSOR harmless from any such violations. LESSEE further agrees that he will not use the property for any purpose that would violate EPA or DEQ rules or regulations.

The LESSEE agrees to store hay bales along the fence line at locations approved by the Airport Manager, and all hay bales must be removed outside of the fence line within 10 days of cutting and rolling. All hay bales must be removed from the Airport grounds no later than December 31 of the year that the hay is baled.

The property must be returned to the LESSOR in the same good condition that it is received, properly cut and trimmed, at the end of the term of the lease.

The LESSEE acknowledges and understands that the premises are used as a regional airport facility and that there are safety issues and regulations associated with the regional airport facility. If in the opinion of the Airport Director the height of the vegetation is such that it constitutes a safety issue, the Airport Director will notify the LESSEE in writing. If the LESSEE fails to cut the premises within 48 hours from the date of the notice the LESSOR reserves the right to cut the premises, and the LESSEE waives any claim for loss of income.

WARRANTY

LESSOR warrants that it has the right to lease the property covered by this agreement and will defend LESSEE'S possession against any and all persons whomsoever. LESSEE binds and obligates himself to notify LESSOR immediately of any adverse possession of the leased premises, or of any adverse claim which may be asserted with respect to it.

SUBLETTING

LESSEE shall not sublet or assign the leased premises without the express written consent of the LESSOR.

INDEMNITY

LESSOR will not be responsible for the loss or damage to LESSEE'S personal property, due to fire, theft, or other mishap. LESSEE shall protect and save LESSOR harmless from any claims or injuries to property or persons resulting from accidents or other occurrences on the leased premises; such liability being specifically assumed by LESSEE.

LESSEE agrees and hereby covenants to assume all liability for his farming operations and LESSEE further assumes all responsibility for the condition of the premises as provided in Louisiana R. S. 9:3221.

LESSEE agrees to carry his own liability insurance on the property and agrees to furnish a copy of said insurance policy to the LESSOR.

FURTHER CONDITIONS OF THE LEASE

1) The LESSEE and all of the LESSEE's personnel shall meet with the Airport Manager prior to working on the first day of the hay lease for a brief training session to discuss airport rules and safety concerns. All new personnel, prior to working on the airport premises for the first time shall also meet with the Airport Manager for a brief training session.

2) The LESSEE must check in at terminal when working on airport grounds so that a Notam can be issued as a safety precaution for aircraft using the airport.

3) No equipment shall be allowed on either runway at any time.

4) All equipment left on the airport premises overnight shall park at the dead end road by the T-Hangers. This location will be shown to you as part of your training session.

5) All equipment shall give right of way to all aircraft.

6) This lease will be subject to the restrictions that all baled hay within 250 feet of the runways and taxiways must be removed before dark and stored by the fence or taken off the airport premises. Hay may be stored along the fence line, but must be removed at the end of the year before new hay field operations for the following year begin.

7) No bales of hay are permitted to be placed on the ground at either the approach or departure ends of any runway at any time.

8) The LESSEE will be responsible for any damage to Navigational Aids, such as runway lights, that occurs while LESSEE is cutting, raking, baling or transporting hay.

9) The City of Natchitoches and the Airport Commission reserve the right to impose reasonable requirements upon the lessee to provide for the general health, safety, and welfare of the users of the airport or to comply with any Federal Aviation Administration (FAA) or Department of Transportation and Development (DOTD) Regulations.

10) Bales of hay must be counted and reported to the Airport Manager prior to removing the hay from the premises.

11) Damaged bales of hay must be removed by the LESSEE.

12) All moving equipment must have flashing caution lights working at all times or have an FAA approved safety flag on all equipment.

13) The LESSOR shall have the authority to terminate this lease immediately if the LESSEE violates any FAA or DOTD regulations or if the LESSOR is requested or required by the FAA or DOTD to terminate the lease.

14) This lease shall be subordinate to the provisions of any existing or future agreement between the City of Natchitoches and the United States relative to the operation or maintenance of the airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the airport, and during the time of war and national emergency, the City of Natchitoches shall have the right to lease any part of said airport to the United States Government if requested to do so.

15) The LESSOR will pay all ad valorem taxes on the leased premises.

16) LESSEE recognizes the importance of maintaining a safe airport, and agrees to cut hay within 5 days of notification by the Airport Manager that a cutting is necessary. Once cutting begins, LESSEE will have seven days to complete any cutting.

17) This lease shall inure to the benefit of and be binding upon the LESSOR, its respective executors, administrators, successors and assigns. This lease shall also inure to the benefit of the heirs of the LESSEE.

NOTICES

All notices to either LESSEE or LESSOR shall be addressed to the addresses set forth in the appearance clauses above, unless notified otherwise in writing.

RENTAL PAYMENTS

All rental payments shall be made payable to the City of Natchitoches, Louisiana, in care of the Airport Manager at the Natchitoches Regional Airport Terminal Building.

THUS DONE AND PASSED before me, the undersigned Notary Public and subscribing witnesses on this the ____ day of _____, 2015, at Natchitoches, Louisiana.

WITNESSES:

CITY OF NATCHITOCHES, LOUISIANA
Lessor

By: _____
LEE POSEY, Mayor

NOTARY PUBLIC

STATE OF LOUISIANA

PARISH OF NATCHITOCHES

THUS DONE AND PASSED before me, the undersigned Notary Public and subscribing witnesses on this the ____ day of _____, 2015, at Natchitoches, Louisiana.

WITNESSES:

James Russell Stacy, Lessee

NOTARY PUBLIC

The following Ordinance was introduced by _____ and
seconded by _____, to-wit:

ORDINANCE NO. _____ OF 2015

AN ORDINANCE, UPON THE RECOMMENDATIONS OF THE PURCHASING DEPARTMENT AND THE AIRPORT COMMISSION, THAT THE CITY COUNCIL OF THE CITY OF NATCHITOCHES AUTHORIZE A LEASE OF THAT AREA UNDER FENCE AT THE NATCHITOCHES REGIONAL AIRPORT FOR HAY OPERATIONS WITH JAMES RUSSELL STACY, AND AUTHORIZING THE MAYOR, LEE POSEY, TO EXECUTE SAID LEASE ON BEHALF OF THE CITY OF NATCHITOCHES, AND TO PROVIDE FOR ADVERTISING.

WHEREAS in response to a request for proposals issued with regard to a hayfield lease at the Natchitoches Regional Airport, the City of Natchitoches received a certain proposal; and

WHEREAS FURTHER, the Purchasing Department reviewed the response and determined that the best price to the City was contained in the proposal submitted by James Russell Stacy, and the Purchasing Department recommends to the City Council that the lease be awarded to Mr. Stacy; and

WHEREAS FURTHER, Mr. Stacy has conducted hay field operations for the City of Natchitoches in the past and Mr. Stacy has satisfactorily fulfilled his obligations under leases in the past; and

WHEREAS FURTHER, the Purchasing Department has recommended to the City Council of the City of Natchitoches that James Russell Stacy be awarded the lease based upon his response, and that the attached lease agreement be approved; and

WHEREAS FURTHER, a lease has been prepared setting forth the term, conditions, and consideration for the proposed hay field lease;

WHEREAS FURTHER, under the provisions of Louisiana R. S. 33:4712, any property owned by the City can be leased to any person after due advertisement and compliance with the law;

WHEREAS FURTHER, the City Council is of the opinion that the hay field rights are not needed by the City for any public purpose, but are a potential source of revenue if leased;

NOW THEREFORE BE IT ORDAINED by the City Council of the City of Natchitoches, in legal session convened, that the recommendations of the Purchasing Department are hereby approved; and

BE IT FURTHER ORDAINED that Lee Posey, Mayor of the City of Natchitoches, be and he is hereby authorized and empowered to enter into a lease agreement with James Russell Stacy, for hay field operations, all in substantial compliance with the lease agreement, a copy of which is attached hereto and approved by the Director of Purchasing.

BE IT FURTHER ORDAINED That notice of this proposed ordinance be published three (3) times in fifteen (15) days, one (1) week apart, in the Natchitoches Times, the legal journal for the City, and that ordinance be posted in the City Hall.

BE IT FURTHER ORDAINED that any opposition to this ordinance shall be made in writing, filed with the Clerk for the City of Natchitoches within fifteen (15) days after the first publication of this ordinance, and that a public hearing be held after the advertisements have been completed.

BE IT FURTHER ORDAINED that the City Clerk be authorized to advertise this proposed lease in accordance with law, i.e., three times in fifteen days, one week apart and to report to the City Council if any opposition is made in writing prior to the time of final adoption.

BE IT FURTHER ORDAINED that the City takes cognizance of the fact that the rights to the property described above is not needed for public purposes by the City.

Said Ordinance having been introduced on the ____ day of _____, 2015, notice of public hearing having been held, the title having been read and the Ordinance considered, on motion by _____, and seconded by _____, to adopt the ordinance, a record vote was taken and the following result was had:

YEAS:

NAYS:

ABSENT:

Whereupon, the presiding officer declared the above Ordinance duly _____ on the ____ day of _____, 2015.

The following Ordinance was introduced by Ms. Morrow at the Natchitoches City Council meeting held on January 26th, 2015 as follows:

ORDINANCE NO. 007 OF 2015

**AN ORDINANCE AUTHORIZING THE MAYOR OF THE CITY
OF NATCHITOCHES TO AWARD
THE BID FOR THE REHABILITATION OF THE CITY POOL**

(BID NO. 0560)

WHEREAS, Resolution No.122 of 2014 was passed by the Natchitoches City Council on December 8, 2014 authorizing the Mayor to advertise for bids for the Rehabilitation of the City Pool (Bid No. 0560); and

WHEREAS, this bid was advertised in the *Natchitoches Times* on December 13, December 18 and December 25, 2014 in accordance with law; and

WHEREAS, one bid proposals were received and opened as follows:

(1) Robin Ewing Pool Supplies, Inc.	
Alexandria, LA	\$214,699.00

WHEREAS, on January 21, 2015 the appointed committee of Pat Jones, Director of Finance; Edd Lee, Director of Purchasing; Randy LaCaze, Director of Community Development, and Don Mims, Councilman reviewed the bid proposals for the Rehabilitation of the City Pool (Bid No. 0560); and

WHEREAS, the above appointed committee members unanimously recommend the City award the bid to the lowest bidder **Robin Ewing Pool Supplies, Inc., Alexandria, LA** in the amount of **\$214,699.00**.

NOW, THEREFORE, BE IT RESOLVED, that the Honorable Lee Posey, Mayor, is hereby authorized, empowered and directed to sign any and all documents necessary for acceptance of this bid.



CITY OF NATCHITOCHES
PURCHASING DEPARTMENT

January 21, 2015

Mayor Lee Posey
City Hall
Natchitoches, LA 71457

Dear Mayor Posey,

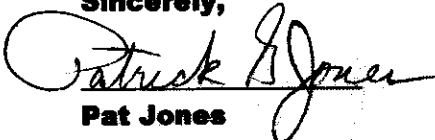
The appointed committee of Pat Jones, Edd Lee, Randy LaCaze and Don Mims, has reviewed the engineer's recommendation submitted by Mr. Randal Smoak, Professional Engineer, with Cothran, Graff, Smoak Engineering, Inc., Shreveport, LA, on Bid # 0560, for the Rehabilitation of City Pool project.


The committee was unanimous in its decision to award the bid to the lowest bidder, Robin Ewing Pools, Inc., Alexandria, LA in the amount of \$214,699.00. Only one bid was received.

All bids are kept at the City Purchasing Department, 1400 Sabine Street, Natchitoches, LA 71457. Anyone desiring to view the bids may do so at that location.

We request ratification of this award at the City Council meeting on January 26, 2015.

Sincerely,


Pat Jones
Director of Finance


Edd Lee
Director of Purchasing


Don Mims
Councilwoman At Large


Randy LaCaze
Director of Community Development



COTHREN, GRAFF, SMOAK ENGINEERING, INC.

CIVIL ♦ ENVIRONMENTAL ♦ SANITARY ♦ STRUCTURAL ♦ MECHANICAL ♦ ELECTRICAL

FIRM LICENSE - LA 2636 ♦ AL 7531 ♦ TX 1754

6305 Westport Avenue ♦ Shreveport, Louisiana 71129-2499

Phone: 318-687-3732 ♦ Fax: 318-687-1049

D.B. GRAFF, P.E., P.L.S.™
K. RANDAL SMOAK, P.E.*
DAVID C. WILKINSON, P.E.

CONSULTANT
S.M. COTHREN, P.E., P.L.S.™

*Also licensed Engineer in AR, MS, TX
**Also licensed Engineer in AL, TN
***Also licensed Engineer in AR, MS

Natchitoches Office:
112 Horn Street
Natchitoches, LA 71457
Phone (318) 354-6888
Fax (318) 354-6888

January 21, 2015

Edd Lee, Director of Purchasing
City of Natchitoches
P. O. Box 37
Natchitoches, Louisiana 71457

Re: City Pool Rehabilitation

Dear Mr. Lee:

We have reviewed the bids received for the referenced project and recommend that Robin Ewing Pool Supplies, Inc. be awarded the contract in the amount of \$214,699.00.

Should you have any questions, please do not hesitate to contact me.

Sincerely,
COTHREN, GRAFF, SMOAK ENGINEERING, INC.

K. Randal Smoak, P.E.

KRS/cw

CITY OF NATCHITOCHEs
CITY POOL REHABILITATION

Contractor-->				Robin Ewing Pool Supplies							
Item No.	Description	Bld Qty's.	Unit	Unit \$	Contract \$	Unit \$	Contract \$	Unit \$	Contract \$	Unit \$	Contract \$
	City Pool Rehab	1	LS	\$ 214,699	\$ 214,699.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

The following Ordinance was introduced by Mr. Nielsen at the Natchitoches City Council meeting held on January 26th, 2015 as follows:

ORDINANCE NO. 008 OF 2015

**AN ORDINANCE AUTHORIZING THE MAYOR OF THE CITY
OF NATCHITOCHES TO AWARD
THE BID FOR THE ELECTRIC DISTRIBUTION EXTENSION ALONG
LA 478 TO I-49**

(BID NO. 0561)

WHEREAS, Resolution No.121 of 2014 was passed by the Natchitoches City Council on December 8, 2014 authorizing the Mayor to advertise for bids for the Electric Distribution Extension along LA 478 to I-49 (Bid No. 0561); and

WHEREAS, this bid was advertised in the *Natchitoches Times* on December 13, December 18 and December 25, 2014 in accordance with law; and

WHEREAS, three bid proposals were received and opened as follows:

- | | |
|--|--------------|
| (1) T & D Solution, Inc.
Alexandria, LA | \$40,000.00 |
| (2) Cecil D. Gassiot, LLC
Alexandria, LA | \$57,290.00 |
| (3) Chain Electric Company
Hattiesburg, MS..... | \$ 78,286.32 |

WHEREAS, on January 21, 2015 the appointed committee of Pat Jones, Director of Finance; Edd Lee, Director of Purchasing; Dale Nielsen, Councilman; and Bryan Wimberly, Utility Director reviewed the bid proposals for the Electric Distribution Extension along LA 478 to I-49 (Bid No. 0561); and

WHEREAS, the above appointed committee members unanimously recommend the City award the bid to the lowest bidder **T & D Solution, Inc. of Alexandria, LA** in the amount of **\$40,000.00**.

NOW, THEREFORE, BE IT RESOLVED, that the Honorable Lee Posey, Mayor, is hereby authorized, empowered and directed to sign any and all documents necessary for acceptance of this bid.



CITY OF NATCHITOCHES
PURCHASING DEPARTMENT

January 21, 2015

**Mayor Lee Posey
City Hall
Natchitoches, LA 71457**

Dear Mayor Posey,

The appointed committee of Pat Jones, Edd Lee, Bryan Wimberly and Dale Nielsen, has reviewed the engineer's recommendation submitted by Mr. Randal Smoak, Professional Engineer, with Cothran, Graff, Smoak Engineering, Inc., Shreveport, LA, on Bid # 0561, for the Electric Distribution Extension along LA-478.

The committee was unanimous in its decision to award the bid to the lowest bidder, T & D Solutions, LLC, Alexandria, LA in the amount of \$40,000.00. The other bids received were from Cecil Gasslott, LLC, Alexandria, LA in the amount of \$57,290.00 and Chain Electric Co., Hattiesburg, MS in the amount of \$78,286.32.

All bids are kept at the City Purchasing Department, 1400 Sabine Street, Natchitoches, LA 71457. Anyone desiring to view the bids may do so at that location.

We request ratification of this award at the City Council meeting on January 26, 2015.

Sincerely,

**Pat Jones
Director of Finance**

**Edd Lee
Director of Purchasing**

**Dale Nielsen
Councilman Dist #2**

**Bryan Wimberly
Director of Utilities**



COTHREN, GRAFF, SMOAK ENGINEERING, INC.

CIVIL ♦ ENVIRONMENTAL ♦ SANITARY ♦ STRUCTURAL ♦ MECHANICAL ♦ ELECTRICAL

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January 21, 2015

Edd Lee, Director of Purchasing
City of Natchitoches
P. O. Box 37
Natchitoches, Louisiana 71457

Re: Electric Distribution Along LA 478

Dear Mr. Lee:

We have reviewed the bids received for the referenced project and recommend that T & D Solution's be awarded the contract in the amount of \$40,000.00.

Should you have any questions, please do not hesitate to contact me.

Sincerely,
COTHREN, GRAFF, SMOAK ENGINEERING, INC.

K. Randal Smoak, P.E.

KRS/cw

CITY OF NATCHITOCHES
ELECTRIC DISTRIBUTION ALONG LA 478

Item No.	Description	Contractor-->		T & D Solutions		Cecil D. Gaselott, LLC		Chain Electric Company		Unit \$		Contract \$	
		Bid Qty's.	Unit	Unit \$	Contract \$	Unit \$	Contract \$	Unit \$	Contract \$	Unit \$	Contract \$	Unit \$	Contract \$
	Electric Distribution	1	LS	\$ 40,000	\$ 40,000.00	\$ 57,290	\$ 57,290.00	\$ 78,286.32	\$ 78,286.32				
												\$40,000.00	\$57,290.00
												\$78,286.32	\$0.00
												TOTAL BASE BID	

I certify this to be a true and correct tabulation of the bids received on January 20, 2015.

Karl Randal Smoak
K. Randal Smoak, P.E.

STATE OF LOUISIANA
KARL RANDAL SMOAK
REG. NO. 22024
REGISTERED
PROFESSIONAL ENGINEER
IN
CIVIL ENGINEERING

The following Resolution was introduced by Mr. Payne and Seconded by Mr. Nielsen as follows, to -wit:

RESOLUTION NO. 007 OF 2015

**A RESOLUTION AUTHORIZING THE MAYOR TO ENTER
INTO A CONTRACT WITH TRAVELERS CASUALTY AND
SURETY COMPANY OF AMERICA FOR THE PUBLIC OFFICIAL
SCHEDULE BOND FOR THE CITY OF NATCHITOCHES**

WHEREAS, the proposals submitted for the Public Officials Bond for the City of Natchitoches have been reviewed and it is recommended the City award the contract to Travelers Casualty and Surety Company of America for the period February 1, 2015 through February 1, 2016 for the bond premium of \$5,250.00.

This Resolution was then presented for a vote, and the vote was recorded as follows:

AYES:	Payne, Nielsen, Stamey, Morrow
NAYS:	None
ABSENT:	None
ABSTAIN:	None

THEREUPON, Mayor Pro Tempore Don Mims declared the Resolution passed by a vote of 4 Ayes to 0 Nays on this 26th day of January, 2015.


DON MIMS, MAYOR PRO TEMPORE

CITY OF NATCHITOCHES
GENERAL FUND BUDGET REPORT
AS OF DECEMBER 31, 2014

	CURRENT MONTH			YEAR TO DATE					
	TOTAL BUDGET 14/15FY	MONTHLY BUDGET *1	ACTUAL	(OVER) UNDER		YTD ACTUAL	UNREALIZED AVAILABLE BALANCE		PERCENT RECEIVED/ EXPENSED
				BUDGET			ENCUM- BRANCES	BALANCE	
REVENUE	14,327,247	1,193,937	1,020,884	(173,053)		6,972,859		7,354,388	48.67%
EXPENDITURES									
DEPARTMENT:									
CITY HALL / FINANCE	537,294	44,775	39,026	5,749		295,061	591	241,643	55.03%
COMMUNITY DEVELOPMENT	707,327	58,944	67,064	(8,120)		474,608	24,660	208,059	70.59%
PLANNING & ZONING	247,631	20,636	17,284	3,352		131,493	800	115,338	53.42%
FIRE DEPARTMENT	3,221,660	268,472	265,688	2,784		1,701,960		1,519,700	52.83%
POLICE DEPARTMENT	4,847,710	403,976	380,139	23,837		2,426,370	9,681	2,411,660	50.25%
ANIMAL SHELTER	172,575	14,381	9,865	4,517		79,132	154	93,289	45.94%
PURCHASING	266,434	22,203	20,238	1,965		144,288	47	122,098	54.17%
CITY GARAGE	252,914	21,076	27,172	(6,096)		142,237	1,106	109,571	56.68%
RECREATION *2	742,201	61,850	62,212	(362)		577,804	12,329	152,068	79.51%
PUBLIC WORKS	1,218,565	101,547	124,039	(22,492)		719,982	38	498,545	59.09%
INDIRECT EXPENSE	1,961,537	163,461	131,038	32,423		1,062,514	15,793	883,230	54.97%
PROGRAMMING & PROMOTIONS	151,399	12,617	10,000	2,616		72,781		78,618	48.07%
TOTAL GENERAL FUND	14,327,247	1,193,937	1,153,765	40,172		7,828,229	65,199	6,433,819	55.09%

FOOTNOTES:

*1 - 1/12th OF TOTAL BUDGET

*2 - SEASONAL ACTIVITY

% BUDGET YEAR ELAPSED 58%

% BUDGET EXPENDED 55%

CITY OF NATCHITOCHES
UTILITY (PROPRIETARY) FUND BUDGET REPORT
AS OF DECEMBER 31, 2014

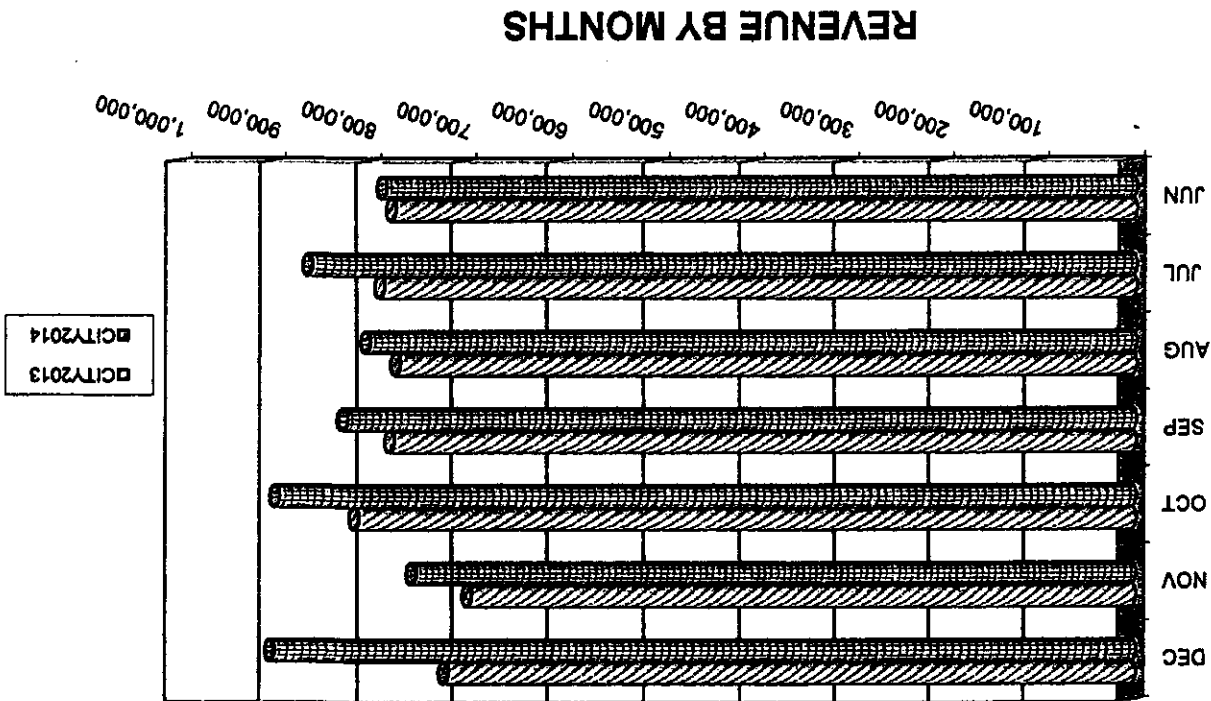
<u>CURRENT MONTH</u>				<u>YEAR TO DATE</u>			
TOTAL		(OVER)		UNREALIZED /		PERCENT	
BUDGET	MONTHLY	UNDER	YTD	AVAILABLE	RECEIVED/		
<u>14/15 FY</u>	<u>BUDGET *1</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>BRANCES</u>	<u>BALANCE</u>	<u>EXPENSED</u>	
REVENUE	38,610,171	3,217,514	2,317,130	(900,384)	21,929,085	16,681,086	56.80%
EXPENDITURES							
DEPARTMENT:							
UTILITY ADMINISTRATION	358,857	29,905	27,538	2,367	208,498	1,016	58.38%
WATER	2,828,795	235,733	155,930	79,803	1,363,601	34,054	49.41%
SEWER	1,641,566	136,797	114,347	22,450	805,857	28,257	50.81%
ELECTRIC	23,629,199	1,969,100	1,432,486	536,614	10,653,204	1,743,320	52.46%
UTILITY BILLING	542,648	45,221	42,232	2,989	290,912	1,655	53.91%
INFORMATION TECH	333,850	27,821	57,867	(30,046)	163,120	7,722	51.17%
INDIRECT	9,275,256	772,938	642,016	130,922	5,182,943	3,261	55.91%
TOTAL UTILITY FUND	38,610,171	3,217,514	2,472,416	745,098	18,668,134	1,819,284	53.06%

FOOTNOTES:

*1 - 1/12th OF TOTAL BUDGET

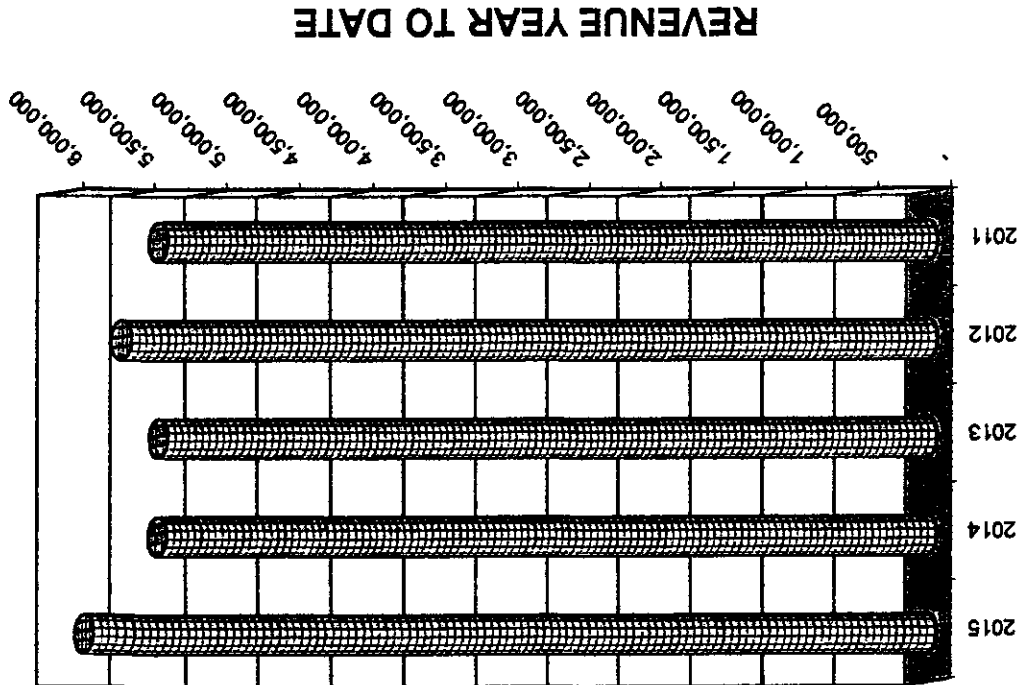
% BUDGET YEAR ELAPSED 58%
 % BUDGET EXPENDED 53%

CITY OF NATCHITOCHEES FISCAL YEAR SALES TAX COLLECTIONS



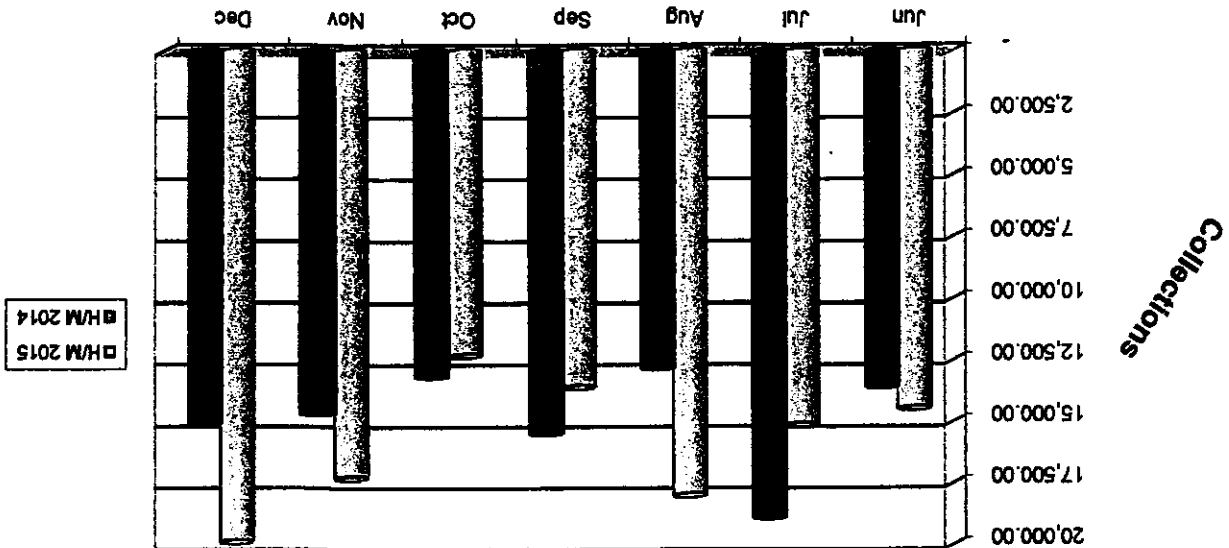
PERIOD	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	DIFF 14/15	DIFF %
JUN	745,293	778,326	784,706	775,673	785,480	9,807	1.26%
JUL	833,927	925,940	787,124	788,242	862,486	74,244	9.42%
AUG	747,034	799,473	675,717	771,686	803,607	31,921	4.14%
SEP	739,153	788,812	773,754	778,205	827,996	49,791	6.40%
OCT	790,155	811,193	791,074	816,314	896,460	80,146	9.82%
NOV	727,106	717,075	743,816	696,883	755,784	58,902	8.45%
DEC	749,143	765,125	780,648	721,635	901,873	180,239	24.98%

CITY OF NATCHITOCHES FISCAL YEAR SALES TAX COLLECTIONS



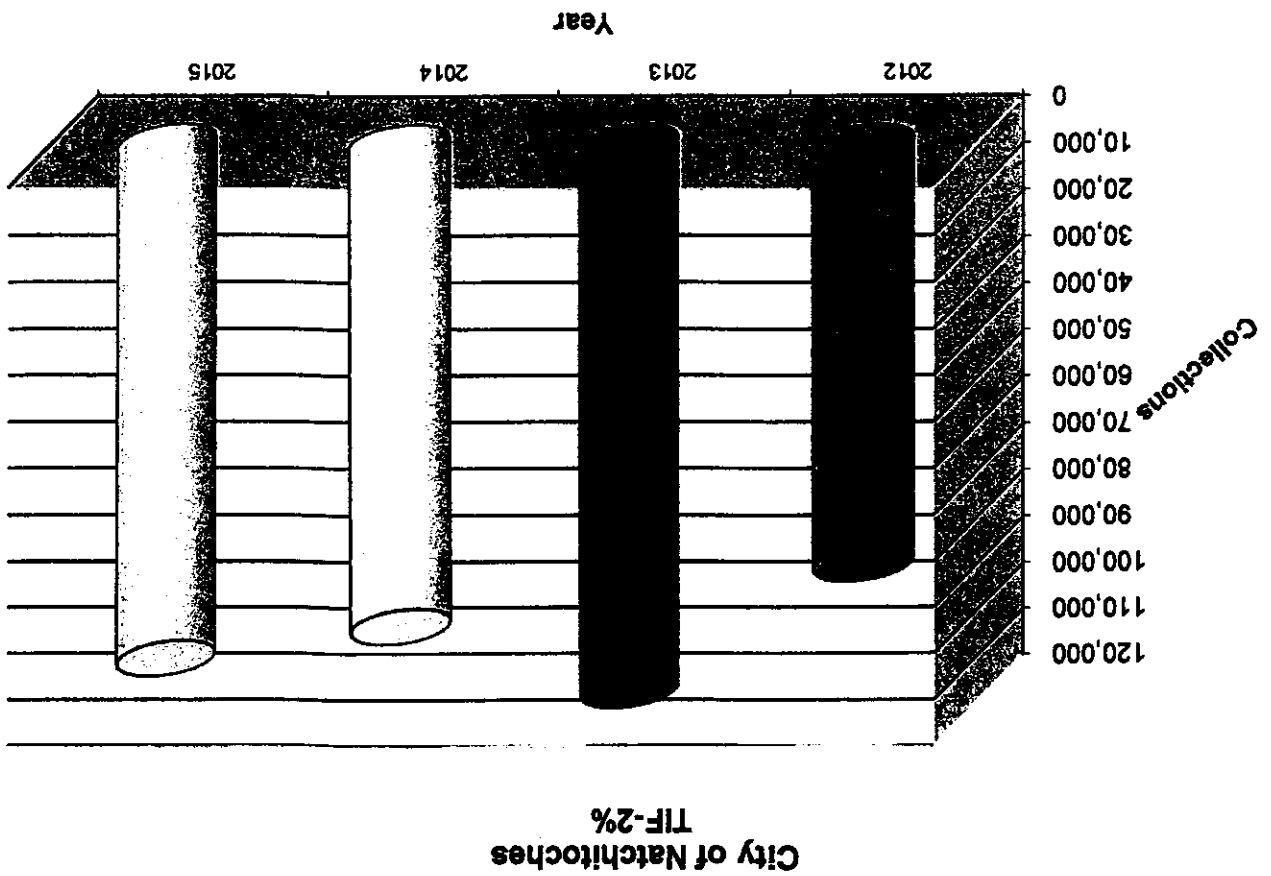
PERIOD	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	DIFF 14/15	DIFF %
JUN	745,293	778,326	784,706	775,673	785,480	9,807	1.26%
JUL	1,579,220	1,704,266	1,571,830	1,563,915	1,647,966	84,051	5.37%
AUG	2,326,254	2,503,739	2,247,547	2,335,601	2,451,573	115,972	4.97%
SEP	3,065,407	3,292,551	3,021,301	3,113,806	3,279,569	165,763	5.32%
OCT	3,855,562	4,103,744	3,812,375	3,930,120	4,176,028	245,908	6.26%
NOV	4,582,668	4,820,819	4,556,191	4,627,002	4,931,812	304,810	6.59%
DEC	5,331,811	5,585,944	5,336,839	5,348,637	5,833,686	485,049	9.07%

City of Natchitoches TIF 2%



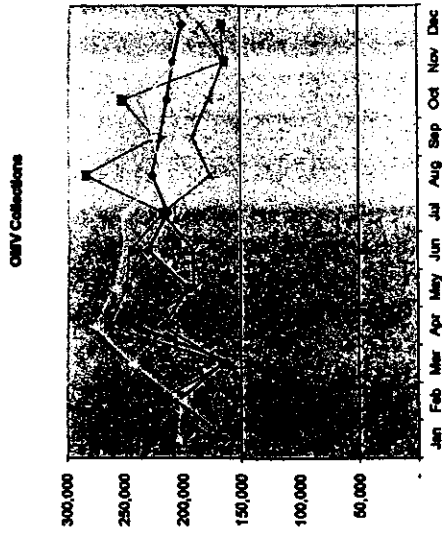
Period	2012	2013	2014	2015	DIFF 14/15	% DIFF
Jun	0	23,874.50	13,597.75	14,483.00	885.25	3.71%
Jul	0	15,844.98	18,905.43	15,138.53	(3,766.90)	-23.77%
Aug	19,047.82	13,928.45	12,843.05	18,004.34	5,161.29	37.06%
Sep	17,078.68	14,825.46	15,486.48	13,613.10	(1,873.38)	-12.64%
Oct	17,253.08	11,785.44	13,163.32	12,337.86	(825.46)	-7.00%
Nov	16,983.00	15,940.88	14,676.81	17,301.80	2,624.99	16.47%
Dec	19,722.20	21,419.33	15,082.08	19,897.53	4,815.45	22.48%

Period	2012	2013	2014	2015	DIFF 14/15	% DIFF
Jun	-	23,874.50	13,597.75	14,483.00	885.25	3.71%
Jul	-	39,719.48	32,503.18	29,621.53	(2,881.65)	-8.87%
Aug	19,047.82	53,647.93	45,346.23	47,625.87	2,279.64	5.03%
Sep	36,126.50	68,473.39	60,832.71	61,238.97	406.26	0.67%
Oct	53,379.58	80,258.83	73,996.03	73,576.83	(419.20)	-0.57%
Nov	70,362.58	96,199.71	88,672.84	90,878.63	2,205.79	2.49%
Dec	90,084.78	117,619.04	103,754.92	110,776.16	7,021.24	6.77%



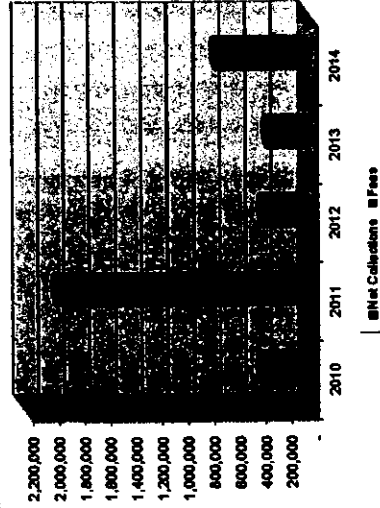
Natchitoches Tax Commission
LA Department of Motor Vehicles Sales

Month/Year	2011	2012	2013	2014	14 vs 13
Jan	168,051.63	164,467.36	174,514.52	205,655.35	17.84%
Feb	173,570.53	205,177.33	220,906.89	201,200.44	-8.92%
Mar	157,817.67	166,324.69	164,353.86	243,983.22	48.45%
Apr	239,862.86	217,732.82	264,608.75	277,427.08	4.84%
May	190,980.40	196,365.55	249,447.49	260,809.86	4.56%
Jun	192,184.32	230,945.64	246,712.98	261,658.28	2.00%
Jul	217,528.02	213,497.75	217,028.15	252,877.65	16.52%
Aug	177,404.46	227,231.78	284,804.63	217,791.63	-23.53%
Sep	193,361.54	220,368.79	224,618.30	226,904.14	1.02%
Oct	178,172.54	214,695.08	263,263.37	234,151.83	-7.55%
Nov	165,928.76	209,191.64	165,368.46	204,828.82	23.85%
Dec	186,507.49	202,412.94	168,100.98		
Totals	2,221,922.12	2,221,922.12	2,221,922.12	2,221,922.12	0.00%



Natchitoches Tax Commission
Audit Collections

Year	2010	2011	2012	2013	2014	13 vs 14
Collections	368,908.65	1,947,902.68	358,986.90	317,524.59	718,791.17	126%
Fees	32,897.42	25,945.88	38,911.02	476.46	13,260.46	2663%
Net Collections	336,011.23	1,921,956.80	397,897.92	317,048.13	705,530.71	122%



Mr. Pat Jones, Finance Director, presented the Council with the Finance Report. Every department was over budget the month of October due to three pay periods this month. The General Fund summary as of December 31, 2014 the revenues were at 48.67% and expenditures at 55.09%, with 58% of the budget year elapsed. The Utility Fund revenues were at 56.80% and expenditures at 53.06%. Sales Tax Collections for December were 24.98% and 9.07% up according to the year to date report. The TIF for December was up 22.48% compared to the previous month and up 6.77% from last year. Motor Vehicle Sales were up 23.85% for the month of November, but down 2.14% for the year to date.

The next scheduled City Council meeting will be held on February 9, 2015.

The City of Natchitoches offices will be closed Monday, February 16, 2015 in honor of President's Day.

With no further discussion, the Mr. Mims made a motion for adjournment and all were in favor.

The meeting was adjourned at 5:58 p.m.



DON MIMS, MAYOR PRO TEMPORE